



Daily Report

East Asia

FBIS-EAS-88-098

Friday

20 May 1988

Daily Report

East Asia

FBIS-EAS-88-098

CONTENTS

20 May 1988

INTER-ASIAN AFFAIRS

Pacific Economic Cooperation Conference To Meet	1
KYODO Previews Osaka Gathering	1
13 Member Nations Gather [KYODO]	1
USSR Plans Regional Development [KYODO]	2
PRC Discusses Joint Ventures [KYODO]	2

NORTHEAST ASIA

Japan

Uno, Yettter Agree To Reopen Farm Trade Talks	3
Minister Wants Bilateral Talks	3
Matsunaga Cited on Issue	3
Government To Sign Construction Accord With U.S.	3
Lifting of Quota on Car Exports to U.S. Planned	4
Defense Agency To Send Officer to U.S. Command	4
DPRK Athletes Told To Leave Reception	5
Justice Minister Cited on Visit	5
Withdrawal From Tournament	5
Steelmakers Study PRC Joint-Venture Plant	6
Steel Company Signs Contract With PRC	6
Miyazawa Urges More Consultations With NICs	7
Firms Asked To Import More Manufactured Items	7
Thailand To Receive 2 Billion Yen in Aid	7

North Korea

Attack on U.S. Facility in Seoul Reported	7
South's Red Cross Condemned by Students	8
CPRF Calls Reports of Contacts 'Lies'	8
Mozambican President Chissano Begins Visit	9
Yi Chong-ok Welcomes Chissano	9
Thousands Greet Visitors	9
Kim Il-song Receives Chissano	9
Dailies Mark Visit	10
Delegation Tours Pyongyang	10
CPSU Delegation Tours Pyongyang Attractions	11
Syrian Foreign Minister Sends Solidarity Letter	11
Yi Song-ho at PLO Friendship Gathering	11
Japanese Use Seoul Olympics as 'Reinvasion Moves'	11
Influence of U.S. Forces in South Decried	12
South's Remarks on Defense Spending Denounced	12
Funeral for Student Suicide Victim Held in Seoul	13
SKNDF Statement on Suicide	13
Chongnyon Marks Kwangju Uprising Anniversary	13
Kim Il-song Replies To Condolence Messages	14
Condolences From USSR, Poland	14
Kim Il-chol Speaks at Wonsan KPA Banquet	14
NODONG SINMUN on Self-Reliant Defense	15
SKNDF Greets Czech Communists on Anniversary [VNS]	16

South Korea

Students Stage Attack on U.S. Embassy	16
HANGYORE SINMUN Reports Student's Funeral [HANGYORE SINMUN 20 May]	17
Huge Crowds Attend Funeral [THE KOREA TIMES 20 May]	17
Students Attack 2 DJP Offices, KBS Building [THE KOREA HERALD 20 May]	18
Student Attempts Self-Immolation [THE KOREA HERALD 20 May]	18
Kim Yong-sam Holds Talks With Kissinger [THE KOREA TIMES 20 May]	19
Preliminary List of Olympic Entries	19
North's Participation Discussed [THE KOREA TIMES 20 May]	20
Government To Accomodate Unification Views [THE KOREA TIMES 20 May]	21
No-3 Kims Unlikely To Meet Before Assembly	21
Yun Attendance Reaffirmed [THE KOREA HERALD 20 May]	21
Opposition's Call for Special Panels Rejected [THE KOREA TIMES 20 May]	22
Opposition To Discuss Special Amnesty Law [THE KOREA TIMES 20 May]	22
Enactment Controversial [THE KOREA TIMES 20 May]	23
Vice Minister-level Officials Shuffled [THE KOREA TIMES 20 May]	23
Market Opening Talks With U.S. Planned	23
USSR Seeks To Open Seoul Trade Office	24
Joint Ventures With PRC Said Planned	24
Government Announces New Banking Measures	25

SOUTHEAST ASIA

Malaysia

Minister Rules Out 'Snap General Election'	26
Vietnam in Cambodia Like USSR in Afghanistan	26

Indonesia

Navy Ship Captures 2 Foreign Fishing Vessels	26
Alatas Hopes for Afghanistan Impact on Cambodia	26
Suharto Inaugurates National Awakening Day Fete	27

Laos

Radio Discusses People's Council Elections	27
--	----

Philippines

Senator Alleges Increased CIA Activity [MANILA BULLETIN 18 May]	28
Solon Criticizes Ramos' Support for Bases [BUSINESS WORLD 20 May]	28
Other Senators Refute Claim	28
Labor Group Calls For Removal of Bases [BUSINESS STAR 20 May]	29
Opposition Criticizes Aquino Position on Bases	29
Disclosure of Bases Talks Issues Urged	30
U.S. Said Seeking To 'Influence' Drug Policy	30
Government Provides Assurances	30
Column Urges Attention to Other Foreigners [PHILIPPINE DAILY GLOBE 20 May]	30
Aquino, Spain's Gonzalez Start Formal Talks	31
Discuss Trade Ties	31
Gonzalez Accorded 'Warm Welcome' by Congress	32
Panel Limits Multinational Corporations [BUSINESS STAR 20 May]	32
Malacanang Denies Surveillance of Newsmen [MANILA BULLETIN 20 May]	33
Senate Warns Military	34
Military Says BBC Not Involved in Ambush [THE MANILA CHRONICLE 20 May]	34
Columnist Views 'samletting' [THE MANILA CHRONICLE 20 May]	35
Military Increases Reservists to 80,000 [PHILIPPINE DAILY GLOBE 20 May]	36
Rebels Said Demanding 'Pledges' Payment [PHILIPPINE DAILY INQUIRER 20 May]	36
Manila Said NPA 'Favorite' Hunting Ground [PHILIPPINE DAILY GLOBE 20 May]	36
2 Ramos Security Aides Killed in Ambush	37

Thailand

Further on Chawalit, 'Revolutionary Council'	37
Prem Moves Against Council [BANGKOK POST 20 May]	37
Chawalit Explains Coup Remarks [THE NATION 20 May]	39
Daily: Revolution Nonsense Must Stop [THE NATION 20 May]	39
Sithi, Shevardnadze Discuss Cambodia Meeting	40
Further on Port Issue, PAT Agreement [THE NATION 20 May]	40

Vietnam

VNA Carries Ministry Statement on PRC Memo	41
Oil Exploration Contract Signed With India	41
Radio Carries More Reports on Food Problems	41
Newspaper, Festivities Mark Ho Chi Minh Birth	42
NHAN DAN Editorial	42
Nguyen Duc Tam at Celebrations	42
Cabinet Decision on Capital Construction	42
National Information Conference Reviews Tasks	43
Radio Marks PRK Day of Hatred for Pol Pot	44
Briefs	44
Ho Chi Minh City Afforestation	44

AUSTRALASIA

Australia

Two Navy Ships Dispatched to Vanuatu Area	45
---	----

Papua New Guinea

Michael Somare Resigns as Opposition Leader [AFP]	45
---	----

Pacific Economic Cooperation Conference To Meet

KYODO Previews Osaka Gathering
OW1305163488 Tokyo KYODO in English
1250 GMT 13 May 88

[By Masayuki Obara]

[Text] Tokyo, May 13 KYODO — The sixth general meeting of the Pacific Economic Cooperation Conference (PECC) is to open a three-day session next Wednesday in Osaka, western Japan, to exchange views on ways to develop closer economic ties among member nations of the region.

The Soviet Union will for the first time send a high-powered delegation of observers led by Yevgeniy Primakov, a top official of the nation's science academy, as a sign of its eagerness to join the influential regional business group.

The Asia-Pacific economic forum, which follows one in Vancouver, Canada in November 1986 and will be the first in Japan, will bring together some 400 representatives of business and industry, government, academic and other intellectual circles, all participating in a private capacity.

In addition to participants coming from 13 member countries and two regions, there will be guest speakers from non-member nations and from institutions such as the Asian Development Bank (ADB) and the OECD (Organization for Economic Cooperation and Development).

Japanese participants will include Saburo Okita, former minister of foreign affairs and Takujiro Hamada, a current vice foreign minister. Deputy U.S. Trade Representative Michael Smith will attend the meeting as a U.S. participant.

The framework for such Asia-Pacific cooperation meetings dates back to 1930 when talks between the late Japanese Prime Minister Masayoshi Ohira and then Australian Prime Minister Malcolm Fraser produced the Pan-Pacific Community Seminar which later became institutionalized as the PECC.

The uniqueness of the PECC compared with other institutions lies in its semi-official character and consultative, consensus-seeking and policy oriented structure.

Particularly noteworthy is the attendance of both the People's Republic of China and Taiwan as full participants and the Soviet Union as an observer, conference sources said.

So far, five seminars have been held — in Canberra (1980), Bangkok (1982), Bali (1983) and Seoul (1985) before the Vancouver meeting in 1986.

In order to identify and coordinate the components of Pacific economic cooperation and to establish channels for enhancing regional understanding, the Osaka session will be divided into seven separate discussions by the task forces

devoted to the economic outlook for the Pacific trade policy, investment, minerals and energy, fisheries, livestock and grains, and a review of Pacific economic cooperation and future activities.

The conference committee will issue a summary statement next Friday at the end of the three-day session.

During the Osaka meeting, the creation of a "PECC central fund" totaling some 1 million dollars will likely be officially authorized, organizers said.

The fund would allow PECC to finance member nations' international activities, in particular, to provide financial aid to cover the costs associated with organizing and carrying out general meetings by developing member countries as well as to fund special projects and other activities endorsed by the committee of the PECC.

The 1-million dollar figure is based on estimated costs for an initial three years period from 1988 through 1991.

The share of the contributions by each member nation for the first three-year period will be formally fixed at the Osaka session. Japan and the United States will likely each underwrite about one-third of the amount or some 300,000 dollars.

Representing Kansai business circles, Osamu Uno, chairman of the Kansai Economic Federation which is based in the host city Osaka, will propose an "Osaka project" next Friday, laying out a plan to set up an institution aimed at promoting the inflow of foreign trainees to Japan and personnel exchange among the region.

Japan will also announce a Pacific economic forecast drawn up with the cooperation of other PECC members.

The trade policy task force, one of seven, will discuss economic structural adjustment by member nations and regional cooperation in addressing selected problems relating to the Uruguay round of multilateral trade negotiations under GATT (General Agreement on Tariffs and Trade).

The task force will also seek common ground for a combination of regional initiatives compatible with GATT policies amid increased global economic interdependence.

Australia is likely to offer an Asia-Pacific version of summit talks composed of high-ranking government officials of the region at the meeting, the sources said.

13 Member Nations Gather
OW1905045588 Tokyo KYODO in English
0221 GMT 19 May 88

[Text] Osaka, May 19 KYODO — The Pacific Economic Cooperation Conference (PECC) started its second day session Thursday, focusing on ways to strengthen economic cooperation and social and cultural exchanges in the Asia-Pacific nations.

More than 400 participants from 13 member nations and two regions attending the three-day sixth general meeting in Osaka will agree to establish in the afternoon session a "PECC central fund" totaling some 1 million dollars, conference sources said.

The PECC fund is aimed at supporting member nations' activities and providing financial assistance to the developing member nations and regions to hold or participate in PECC meetings.

Thursday morning, three task forces in the fields of minerals and energy, fisheries, and livestock and grains will review and discuss specific problems stemming from protectionist trade policies and barriers.

The afternoon agenda includes a review on Pacific economic cooperation, future PECC activities and new initiatives in addition to the PECC central fund.

The Osaka meeting will end Friday, issuing two summary statements—one of a general nature to be called the "Osaka statement" and the other a "trade policy statement" on agricultural trade and other trade policies, the sources said.

USSR Plans Regional Development
OW1805132788 Tokyo KYODO in English
1136 GMT 18 May 88

[Text] Osaka, May 18 KYODO—A leading policy planner of the Soviet Union said Wednesday his country will start field research in July for establishing special economic zones in the Soviet Far East Pacific coastal regions.

Yevgeniy M. Primakov, director of the Institute of World Economy and International Relations at the Soviet Academy of Science, said the field research will be held for two weeks in the coastal areas capable of gathering skilled workers.

Primakov made the remarks in an interview with KYODO NEWS SERVICE at an Osaka Hotel while attending the three-day Pacific Economic Cooperation Conference (PECC) general meeting which opened here Wednesday.

He said the research will be conducted by the Soviet National Committee for Asia-Pacific Economic Cooperation which he chairs.

"There are pros and cons among government bodies or the Academy of Science for such an idea," he said. "There is no concrete idea yet on location and legal discussions should be done."

But Primakov said it would be appropriate for the special economic zone to be developed to attract foreign firms.

Asked about Soviet participation in international organizations such as the International Monetary Fund (IMF) and the General Agreement on Tariffs and Trade (GATT), Primakov said Soviet policy is now inclined toward joining those international bodies.

He said such international organizations do not necessarily exist solely for Western nations, and should be more open.

"Excluding one or two countries may lead to using those international bodies as a tool for confrontation," he said.

The aim of establishing the Soviet national committee for Asia-Pacific Economic Cooperation in March is to promote Soviet participation in the PECC, Primakov said.

The committee will study ways to incorporate the Soviet Far Eastern economy into the Pacific basin economy, he said.

"We want to formally join the PECC but we can wait," Primakov said. "It would be beneficial not only for the Soviet Union but to the Pacific basin nations in such areas as economic cooperation, political stability and cultural exchanges."

PRC Discusses Joint Ventures
OW1905113288 Tokyo KYODO in English
1026 GMT 19 May 88

[Text] Osaka, May 19 KYODO—China is studying the possible establishment of a joint venture with South Korea and Japan in China's Pacific coastal free economic zones near the Korean Peninsula, a senior Chinese official said Thursday.

Huan Xiang, Chinese representative to the sixth meeting of the Pacific Economic Cooperation Conference (PECC) in Osaka, said he places great importance on the role of South Korea in promoting economic modernization of China in its East Asian districts.

Huan, chairman of the Center of International Studies of the State Council, said it is also vital that Japan play an intermediate role since China and South Korea currently do not maintain diplomatic relations.

The three-nation joint venture is being considered for such cities as Dalian on the Liaodong peninsula and Qingdao and Weihai on the Shandong peninsula, he said. The remarks were made by Huan in an interview with KYODO NEWS SERVICE during the three-day PECC general meeting which ends Friday.

It was the first time a high Chinese official spoke directly of a possible joint venture plan among the three nations being studied in China, related sources said.

The sources also said that the joint venture is being planned in industries such as textiles, clothing, miscellaneous goods and machinery.

South Korea's trade totaling 2 to 3 billion dollars a year with China is now indirectly conducted through Hong Kong, the sources said.

Japan

Uno, Yeutter Agree To Reopen Farm Trade Talks
OW2005013888 Tokyo KYODO in English 1340 GMT 19 May 88

[Text] Paris, May 19 KYODO — Japanese Foreign Minister Sosuke Uno and U.S. Trade Representative Clayton Yeutter agreed Thursday to reopen beef and orange negotiations at an early date.

After a 40-minute meeting, Uno told reporters that Yeutter said he was ready to resume bilateral talks over the issue at any time in response to Uno's appeal.

But the U.S. trade negotiator was also quoted as saying that Japanese concessions will be necessary to settle the issue through bilateral talks.

Japan and the U.S. will review the matter at working-level talks and set the date and place for another round of bilateral negotiations.

Minister Wants Bilateral Talks
OW2005051888 Tokyo KYODO in English 0322 GMT 20 May 88

[Text] Tokyo, May 20 KYODO — Takashi Sato, Japan's minister of agriculture, forestry and fisheries, reiterated his strong determination on Friday to achieve an early solution of a beef and orange trade dispute with the United States "through bilateral talks."

Meeting reporters after a semiweekly Cabinet session, the chief Japanese agricultural negotiator said, however, he has "no time limit in mind" for the protracted negotiations.

Japanese officials in Washington said earlier this month that the talks were deadlocked because the U.S. rejected a Japanese proposal to impose surcharges on beef imports instead of present quotas.

U.S. Trade Representative Clayton Yeutter is expected to visit Tokyo later this month to resume the ministerial-level negotiations with Japan on the thorny issue.

Matsunaga Cited on Issue
OW2005110188 Tokyo NHK General Television Network in Japanese 1000 GMT 19 May 88

[Text] The first working-level meeting on U.S. beef and orange imports since the break-up of the ministerial talks in Washington was held this afternoon in Tokyo. The meeting lasted about 90 minutes.

The administrative vice minister of agriculture, Yasuo Goto, and the director of the ministry's economic bureau, Jiro Shiwaku, met with U.S. deputy trade representative Michael Smith. The Japanese side proposed an

upper limit for import surcharges after beef imports are liberalized. The surcharge issue was the major factor in the break-up of the ministers' meeting in Washington.

The Japanese ambassador to the United States, Nobuo Matsunaga, said that the question of liberalizing beef and orange imports should be settled through bilateral negotiations between Japan and the United States. In an interview with NHK, Mr Matsunaga said that the dispute will be settled when U.S. trade representative Clayton Yeutter visits Japan. Mr Matsunaga is back temporarily from Washington.

The ambassador said that the two countries have agreed to try to settle the dispute through negotiations. He said that the details will be gone over at working-level talks and finalized in meetings of ministerial level. Mr Matsunaga spoke of the importance of the timing of the meeting between Prime Minister Takeshita and President Reagan.

He said that the main item on agenda for the meeting will be a briefing by Mr Reagan on the summit with Mr Gorbachev which will precede the meeting. Mr Matsunaga added that he expects Mr Reagan to veto the omnibus trade bill shortly but that it is rather unclear whether Congress will kill the bill or amend it.

Both the United States and Japan are saying that they would prefer to settle the beef and orange problem bilaterally, not through GATT, although the issue has already been referred to GATT by the United States. It is therefore expected that the countries will continue their talks on this matter.

Mr Matsunaga did not make clear when Mr Yeutter would come to Japan but he implied that the negotiations between Japan and the United States would be carried out between ministers while Mr Takeshita and Mr Reagan meet in London.

But there is [words indistinct] of breaking the deadlock on this matter because of the quota system Japan wants to introduce and to which the United States is strongly opposed. There are currently new moves in the government to offer high customs rates and make some concessions to the United States. Whether this problem can be settled bilaterally depends on whether Japan can come up with measures to protect its livestock farmers.

Government To Sign Construction Accord With U.S.
OW1905131788 Tokyo KYODO in English 0939 GMT 19 May 88

[Text] Tokyo, May 19 KYODO — Japan and the United States will sign documents next Wednesday formalizing the March 29 bilateral construction trade agreement. Vice Construction Minister Susumu Takahashi said Thursday.

20 May 1988

The accord, which was originally scheduled to be signed in April, will be signed following approval by the cabinet on Tuesday, he said.

The signing of the pact was postponed after the Reagan Administration and Congress protested the Transport Ministry's refusal to accept an offer by a leading U.S. electronics firm to supply radar equipment for an airport project.

The ministry argued that Japan rejected the U.S. offer because Tokyo only agreed to allow U.S. firms to participate in the "third phase" of the Haneda airport expansion project, while procurement and installation of the radar equipment belonged to the "second phase."

In a bid to end the impasse the ministry has decided to move the radar procurement bidding to the third phase under "special preferential measures" stipulated in the agreement, officials said.

Takahashi said the government will instruct agencies and offices in charge of awarding contracts, including the quasi-governmental Japan Highway Public Corp., to quickly disclose their construction plans to U.S. firms.

The government will also inform Japanese industry of the bilateral agreement in detail and ask them to honor it, he said.

The government will soon set up "contact points" for U.S. firms at its related ministries and agencies to serve as communication channels between the government and U.S. firms involved in construction projects.

Lifting of Quota on Car Exports to U.S. Planned
OW/1905144388 Tokyo KYODO in English 1135 GMT
19 May 88

[Text] Tokyo, May 19 KYODO — The Japanese Government plans to lift its "voluntary" restraint on car exports to the United States, which limits total annual shipments to 2.3 million units, in fiscal 1989 beginning next April 1, Ministry of International Trade and Industry (MITI) sources said Thursday.

The plan is based on the view that Japanese car exports to the U.S. are certain to shrink due to stepped-up local production by Japanese automakers in the U.S. and a higher exchange value of the yen, which is eroding competitive strength of exported cars, the sources said.

Auto exports to the U.S. totaled 2,214,000 units in fiscal 1987 ended March 31, 86,000 units below the ceiling, and shipments declined 15 percent in April, the starting month of fiscal 1988, from the year-ago level to 211,000 units, the sources said.

The declining trend of auto exports to the U.S. is likely to continue throughout the year, the sources said.

In considering removal of the voluntary restraint, MITI is taking into account that Japanese automakers like Toyota Motor Corp., Nissan Motor Co. and Honda Motor Co., have been promoting export of their higher priced models rather than lower-priced cars, the sources said.

The quota system was adopted in fiscal 1981 initially for a three-year period to help the U.S. automobile industry recover from a slump. It has been renewed every year since 1984.

This January, MITI indicated that it will abolish the quota system when the decline in car exports to the U.S. becomes an established trend.

MITI will work out measures to prevent Japanese automakers from exporting too much after termination of the export restraint, the sources said.

Defense Agency To Send Officer to U.S. Command
OW/1905132688 Tokyo KYODO in English 0847 GMT
19 May 88

[Text] Tokyo, May 19 KYODO — The Defence Agency has decided to dispatch a staff officer from the Joint Staff Council to the Headquarters of the U.S. Armed Forces in Japan for liaison work, Agency officials said Thursday.

Japan's Self-Defense Forces have their own liaison officers attached to the U.S. military units in Japan, but it is the first time that the Japanese Joint Staff Council will be sending a man to the U.S. command.

The Joint Staff Council officer will be of colonel rank from the Ground Self-Defense Force attached to the council secretariat.

The Defense Agency decision was endorsed Thursday at a meeting of the Japan-U.S. Joint Committee operating under the Status of Forces Agreement, agency officials said.

The cabinet will name the first liaison officer within this month. He will be stationed at the U.S. Armed Forces in Japan.

The Defense Agency said the officer also will be responsible for coordination between top Japanese and U.S. command officers.

The first job of the staff liaison officer will be to coordinate the third Japan-U.S. command exercise slated to take place later this month.

DPRK Athletes Told To Leave Reception
*OW1905232488 Tokyo KYODO in English 1134 GMT
19 May 88*

[Text] Niigata, May 19 KYODO — Japan's immigration authorities Thursday told the North Korean delegation attending the current Asian table tennis championships to leave midway through a reception held here in their honor.

The Justice Ministry officials said attending the welcoming party violated the terms under which the North Koreans were allowed into Japan.

Ministry officials said Japan had only authorized the North Koreans to play in the championship.

"Any meeting or visit apart from playing table tennis is regarded as a political act," a Justice Ministry spokesman said.

Officials from the Justice Ministry served notice on the ban during the reception, and the North Koreans walked out of the event midway through the meal, Japanese Table Tennis Association officials said.

Justice Minister Cited on Visit
*OW2005065088 Tokyo KYODO in English 0514 GMT
20 May 88*

[Text] Tokyo, May 20 KYODO — Justice Minister Yukio Hayashida on Friday described as "undesirable" a North Korean table tennis team's attendance at a reception in Niigata on Thursday.

Speaking to reporters after a regular Cabinet meeting, Hayashida said he does not believe that the reception to welcome participants in the Asian table tennis championships was of a political nature.

But he said one of the reception sponsors was the Niigata branch of the pro-Pyongyang General Association of Korean Residents in Japan and added "a contact with such an organization is undesirable."

The Japanese government allowed the entry of the North Korean team to compete in the ninth Asian table tennis championships which opened an eight-day session Sunday on the Sea of Japan coast city of Niigata on condition that members of the group would not engage in any political activity while in Japan.

Japan banned the entry of North Korean central government employees January 26 as part of punitive sanctions taken in connection with the destruction of a South Korean plane last November allegedly carried out by North Korean agents.

Although the team's captain and a few others are central government employees, Japan has approved its entry because it said they are members of a sports delegation.

In the meantime, Justice Ministry immigration officials asked officials from the Japan Table Tennis Association not to hold any events that had not already been scheduled.

North Korean team members are scheduled to attend a dinner to be given by an organization under the wing of the pro-Pyongyang association next Monday night.

The immigration authorities asked Japanese table tennis officials to urge the North Koreans not to attend the dinner.

Withdrawal From Tournament
*OW2005101288 Tokyo KYODO in English 0952 GMT
20 May 88*

[Text] Niigata, May 20 KYODO — North Korea walked out on the Asian table tennis championships Friday in apparent protest against its delegation's expulsion from a reception sponsored by a pro-Pyongyang association of Korean residents in Japan.

The North Korean team disappeared from the Niigata Municipal Sangyo Shinko Center, where the competition is under way, and failed to show up in time from the start of mixed doubles matches in the afternoon.

Li Jong-ho, head of the North Korean delegation, told a press conference later his team has withdrawn from the competition and was going home immediately.

"We'll never take part in any sports meet to be held in Japan from now on," he said.

Li said members of his team have been the target of public harassment in Niigata, citing a case in which the windows of the bus they were riding were banged from outside.

On Thursday, about 20 [figure as received] players and officials of the team were told by Justice Ministry officials to leave a reception given in their honor by the General Association of Korean Residents of Japan.

Justice Minister Yukio Hayashida, explaining the incident, said Friday morning that the North Koreans had been allowed to enter Japan on condition that they would not attend any meetings of a political nature.

The Pyongyang team is expected to leave Niigata Friday evening for Tokyo by train and fly home Saturday afternoon.

The North Koreans had completed team competition, placing second both in the men's and women's events.

20 May 1988

NORTHEAST ASIA

In Tokyo, a high-ranking Foreign Ministry official indicated that the responsibility for the North Korean table tennis team's withdrawal from the championships lay on the Korean side, saying it should have observed the conditions of its entry into Japan.

The officials, speaking on condition of anonymity, told reporters he feels no regret over Pyongyang's sudden decision to withdraw from the eight-day table tennis competition which started Sunday and return home.

He also said he sees no fault in the Japanese Government's call on the 18-member [figure as received] delegation not to attend a reception sponsored by various organizations such as the Niigata chapter of the pro-Pyongyang General Association of Korean Residents in Japan.

The official said the table tennis team's withdrawal from the competition has nothing to do with a decision whether or not North Korea will enter the Seoul Olympic Games because that decision will be made by Pyongyang's leaders.

Steelmakers Study PRC Joint-Venture Plant

OW2005000988 Tokyo KYODO in English 1237 GMT 19 May 88

[Text] Tokyo, May 19 KYODO — Five major Japanese steelmakers have decided to study a Chinese request for cooperation in a project to build a steelworks at Shijiusuo in Shandong Province, a Japanese steel executive said Thursday.

Kensuke Koga, Nippon Steel Corp.'s China cooperation chief, said the request was made by Tang Ke, a Chinese official, during Koga's recent visit to China.

The 5 billion-dollar project calls for the construction of an integrated steelworks, capable of producing 3.5 million to 3.6 million metric tons of crude steel a year, Koga, who is also executive vice president of Nippon Steel, said.

If the project materializes, it will be the second integrated steelworks to be built in China with the cooperation of Japanese steelmakers. The first is Baoshan Steelworks near Shanghai.

The subject will probably come up in talks between Japanese Prime Minister Noboru Takeshita and Chinese leaders as the foremost cooperative project during his visit to China in August.

The project was initially raised in the fall of 1986 when a group of Japanese business leaders, led by Eishiro Saito, chairman of the Federation of Economic Organizations (Keidanren), visited China. The Chinese then sought Japanese cooperation. Saito was formerly president and chairman of Nippon Steel Corp.

Later, the Chinese government suffered from fund shortage, and shifted emphasis to reconstruction of existing steelworks and installation of additional production facilities. As a result, the Shijiusuo project has been held in abeyance for some time.

Under its modernization program, China plans to increase the output of steel to 60-63 million metric tons a year by 1990 and to 80 million tons by 2000, compared with 56 million tons in 1987. Achieving the target demands the construction of a new steelworks.

Koga said the materialization of the project depends largely on whether Japanese government financial institutions would agree to cooperate.

It is believed that the governmental and commercial financial institutions, the steelmakers and other parties involved will discuss the amount of Japanese investment in the project, the interest on loans and the period of repayment before Prime Minister Takeshita's visit to China in August.

As a first step, the five leading Japanese steel companies are expected to hold a meeting of their executives next week to launch a concrete study on their possible cooperation. The five mills are, in addition to Nippon Steel, Nippon Kokan K.K., Kawasaki Steel Corp., Sumitomo Metal Industries, Ltd. and Kobe Steel, Ltd.

Steel Company Signs Contract With PRC

OW1905115788 Tokyo KYODO in English 1010 GMT 19 May 88

[Text] Osaka, May 19 KYODO — Sumitomo Metal Industries Ltd. said Thursday it has signed a contract to sell to China a complete steel plate manufacturing line currently idled at its Wekayama Works.

The approximately 4 billion yen contract, the first of its kind by a Japanese steelmaker, calls for the line to be dismantled and transferred to China's Anshan Steel Corp., located in Liaoning Province.

Anshan Steel, which has an annual crude steel output of 7.7 million tons, is planning to double annual output to 15 million tons. The steel plate manufacturing equipment, to be transferred in one year, is being purchased to process this increased output.

Sumitomo is currently training 15 upper and middle level managers from Anshan Steel on how to operate and manage a modern steel mill, and is planning to transfer technology to the Chinese steel mill in the future.

Miyazawa Urges More Consultations With NICs
OW2005050188 Tokyo KYODO in English 0243 GMT 20 May 88

[Text] Tokyo, May 20 KYODO — Finance Minister Kiichi Miyazawa on Friday urged a kind of a forum for consultations on policy coordination including currency revaluations between leading developed nations and Asian newly industrialized countries (NICs).

Miyazawa made the proposal at a press conference after a Cabinet meeting, following the end of a two-day ministerial meeting of the Organization for Economic Cooperation and Development (OECD) in Paris.

He said macroeconomic policy adjustments among major industrialized nations work well but there is not enough consultation with NICs.

Without rejecting bilateral talks between the United States and NICs, Miyazawa said the objective is to find an "effective way" to solve disputes between industrialized nations and NICs.

"The appearance of NICs is basically favorable for development of the world economy," Miyazawa said.

He described "NICs bashing" as unreasonable, because industrialized nations like the U.S. are asking Latin American developing countries to boost exports in order to reduce debts.

The administration of U.S. President Ronald Reagan is pressing the "four little tigers" — Hong Kong, Singapore, South Korea and Taiwan — to revalue their currencies against the U.S. dollar, as NICs' products are pouring onto the U.S. market, exacerbating the U.S. trade deficit problem.

Firms Asked To Import More Manufactured Items
OW2005004988 Tokyo KYODO in English 1140 GMT 19 May 88

[Text] Tokyo, May 19 KYODO — The Ministry of International Trade and Industry (MITI) will ask major Japanese exporters, trading houses and distributors to boost imports of manufactured goods, on May 31, ministry officials said Thursday.

The officials said MITI will invite representatives of 151 companies to its office on that day for the fifth time in a series of such meetings since April 1985.

MITI will ask these companies to establish an efficient import system that enables smooth influx of foreign products and also to come up with specific measures to boost the volume of such imports.

Regional bureaus of MITI will also make similar requests to an identical number of firms in cities other than the Tokyo area the same day, the officials said.

Imports of foreign manufactures rose 33.8 percent last year from a year before, making up 45.6 percent of the total import volume, they said.

They said the rise was due in part to increased imports from newly industrialized countries (NICs). Imports from the European Community (EC) member nations have been increasing since fall of 1987 and those from the United States since early this year, they said.

Thailand To Receive 2 Billion Yen in Aid
OW2005075488 Tokyo KYODO in English 0629 GMT 20 May 88

[Text] Tokyo, May 20 KYODO — Japan will extend economic assistance totaling 2,042 million yen to Thailand, the Foreign Ministry said Friday.

Of the total, 1,339 million yen will be allocated for water development projects in the drought-hit northeastern part of the country.

Up to 453 million yen will be used to help the country's rural development plans in areas adjacent to Laos and Kampuchea, where many refugees have flowed in.

The remaining 250 million yen will be earmarked to purchase equipment for an institute of biotechnology and genetic engineering.

The two governments exchanged diplomatic documents in Thailand's capital of Bangkok on Friday, according to the ministry.

North Korea

Attack on U.S. Facility in Seoul Reported
SK2005050588 Pyongyang KCNA in English 0447 GMT 20 May 88

[Text] Pyongyang May 20 (KCNA)—About 500 students, who could hardly repress sorrow after paying the last homage to martyr Cho Song-man and indignation against the U.S. imperialists and the fascist clique, suddenly attacked the "U.S. Information Service" building, a tool of U.S. imperialist ideological and cultural aggression, in Seoul on May 19.

They showered stones on it, smashing all the windows of the building and pulled down the eagle emblem of the United States.

Frightened by the students' attack, American employees and "visitors" hurriedly fled for shelter.

Prior to the attack, the students chanted anti-"government" slogans and anti-U.S. slogans declaring the United States is responsible for the long division of the Korean Peninsula and burned an imitation U.S. flag.

Meanwhile, the first rally of 100,000 students for punishment of the mastermind of the May massacre was held on the same day at Chonnam University in Kwangju on the eighth anniversary of the Kwangju popular uprising.

At the rally attended by over 3,000 students in South Cholla Province resolved to "fight as proud sons and daughters of patriotic citizens who defended Kwangju with death till the chieftain of murder has been punished.

South's Red Cross Condemned by Students
SK2005104388 Pyongyang KCNA in English
1012 GMT 20 May 88

[Text] Pyongyang May 20 (KCNA)—The North side's Preparatory Committee for North-South Student Talks in its statement May 19 condemned the wicked act of the South Korean Red Cross in refusing to convey the letter of the students in the northern half of the country to the South Korean students as an inhumane, anti-national and anti-reunification act against national reconciliation, detente and reunification, and sternly denounced this with bitter national resentment.

The statement says:

It had been a usage for the Red Cross organisations of the two sides to act as liaison media in matters arising between the North and South and convey letters between the two parts of the country. But, after the appearance of the No Tae-u military dictatorial "regime" in South Korea, the South Korean Red Cross breaks this usage and takes the irresponsible and high-handed act of refusing even to fulfil the duty of conveying a letter.

We students in the northern half of the country can never tolerate the act of the South Korean Red Cross serving the No Tae-u group as its waiting maid.

Under condition that the South Korean traitor clique is unwilling to convey our letter, we have no alternative but to deliver it to the South Korean students through radio as in the past and, in so doing, we once again strongly hold that the North-South student talks proposed and supported by the students in the North and the South must be realised under all circumstances, stresses the statement.

It says the South Korean rulers must not create obstacles and difficulties in the way of the entire students of the North and the South for arranging North-South student talks and immediately stop their anti-dialogue and anti-peace acts.

CPRF Calls Reports of Contacts 'Lies'
SK2005045988 Pyongyang KCNA in English
0438 GMT 20 May 88

[Text] Pyongyang May 20 (KCNA)—The spokesman of the Committee for the Peaceful Reunification of the Fatherland in an interview with a KCNA reporter on May 19 referred to the rumors about "contacts" between the North and the South spread by the South Korean authorities these days.

Stating that all the gossips from Seoul are lies, he said in explicit terms that there has been no contact between the North and the South, let alone visits.

He said:

The person in high authority of South Korea at a press conference April 21 talked as if dialogues were going on between the North and the South through various channels. On May 7, the puppet minister of national unification board made the same statement and added irrelevantly that "there is no hindrance in the exchange of views between the South and the North."

Although the "spokesman for the Democratic Justice Party" said such rumors about "contacts" between the North and the South were "unfounded" at the end of the "party's policy consultation" a few days ago, the puppet minister of national unification board at a "press conference" May 17 said it is true that dialogue is going on between the North and the South through various channels, while denying the rumor about the visit to Seoul by a senior official of the North.

Timing to coincide with the spread of rumors about "contacts" between the North and the South by the South Korean authorities, some Japanese newspapers played in the same tune with the South Korean puppets, quoting reports from their Seoul correspondents, that a senior official of the North visited Seoul, three emissaries visited Seoul and "underwater dialogue" is going on between the North and the South.

The South Korean authorities have not made a reply to our proposal for the convocation of a North-South joint conference in four months since it received our letter carrying the proposal. They recently refused to convey letters of the student committee and president of Kim Il-song University addressed to the general student council and president of Seoul University in response to the proposal of Seoul University students for North-South student talks. How can there be contacts and visits when they keep the door tightly closed?

It goes without saying that there can be no exchange of views when there is no contact even through a single channel, let alone various channels, and no visits even of ordinary people, let alone high-level officials, due to the bigotted stand of the South Korean authorities against dialogue.

This notwithstanding, the South Korean authorities are telling lies as if dialogue were going on between the North and the South through various channels. This is obviously motivated by a sinister political purpose.

The committee for the Peaceful Reunification of the Fatherland holds that the South Korean rulers shall be held wholly responsible for the consequences arising from their mockery of people and misleading of public opinion over the issue of dialogue.

Mozambican President Chissano Begins Visit

Yi Chong-ok Welcomes Chissano

SK2005051588 *Pyongyang KCNA in English*
0451 GMT 20 May 88

[Text] *Pyongyang May 20 (KCNA)*—A party and government delegation of the People's Republic of Mozambique headed by Comrade Joaquim Alberto Chissano, president of the Mozambique Liberation Front Party and president of the PRM, arrived in *Pyongyang* this morning by special plane to pay an official goodwill visit to Korea at the invitation of Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea.

The guests were met at the airport by Yi Chong-ok, member of the political bureau of the Central Committee of the Workers' Party of Korea and vice-president, and other senior officials.

Thousands of working people in *Pyongyang* warmly welcomed the guests at the airport.

Thousands Greet Visitors

SK2005052888 *Pyongyang KCNA in English*
0518 GMT 20 May 88

[Text] *Pyongyang May 20 (KCNA)*—A Mozambican party and government delegation led by Comrade Joaquim Alberto Chissano, president of the Mozambique Liberation Front Party and president of the People's Republic of Mozambique, arrived in *Pyongyang* today by special plane for an official goodwill visit to Korea at the invitation of Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea.

Put up at the *Pyongyang* airport where crowds were waiting to greet the goodwill envoy of the Mozambican people were a portrait of President Kim Il-song and a portrait of President Joaquim Alberto Chissano and slogan boards reading "Long Live the Great Leader Comrade Kim Il-song !" and "Long Live Comrade Joaquim Alberto Chissano, President of the People's Republic of Mozambique !."

Streamers reading "Warm Welcome to the Goodwill Envoy of the Mozambican People !" and "Long Live the Friendship and Unity Between the Korean and the Mozambican Peoples !," were placed before the well-comers.

Thousands of working people in *Pyongyang*, carrying miniature flags of Korea and Mozambique and bunches of flowers in their hands, with friendly feelings toward the fraternal Mozambican people, turned out at the airport.

The guests were met by Yi Chong-ok, member of the Political Bureau of the Central Committee of the Workers' Party of Korea and vice-president, Kim Yong-nam, member of the Political Bureau of the WPK Central Committee, vice-premier of the administration council and foreign minister, and other senior officials.

President Joaquim Alberto Chissano acknowledged the enthusiastic cheers of the crowds and headed for city proper.

More than 100,000 citizens in the capital warmly welcomed the Mozambican president.

Along the route, Paek Hak-yon, permanent vice-chairman of the *Pyongyang* Municipal People's Committee, presented a silver knife, which the Korean people have given honored guests from olden times as a symbol of self-protection and longevity, to President Joaquim Alberto Chissano.

The *Pyongyang* airport, the main streets and route of the city were garbed in a festive mood.

Kim Il-song Receives Chissano

SK2005114488 *Pyongyang KCNA in English*
1003 GMT 20 May 88

[Text] *Pyongyang May 20 (KCNA)*—Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea, today welcomed Comrade Joaquim Alberto Chissano, president of the Mozambique Liberation Front Party (Frelimo Party) and president of the People's Republic of Mozambique, who is paying an official goodwill visit to Korea, leading a Mozambican party and government delegation.

The flags of Korea and Mozambique were flying the flagpoles.

President Kim Il-song exchanged warm greetings with President Joaquim Alberto Chissano and hugged him.

A welcome function took place in honour of President Joaquim Alberto Chissano.

The national anthems of Mozambique and Korea were played.

President Joaquim Alberto Chissano, together with President Kim Il-song, reviewed a guard of honour of the three services of the Korean People's Army.

Present at the welcome function were members of the Mozambican party and government delegation — Armando Emilio Guebuza, member of the Political Bureau of the Central Committee of the Frelimo Party and minister of transport and communications; Julio Eduardo Zamith Carrilho, secretary of the Frelimo Party Central Committee for Administration and Cadre; Pascoal Manuel Mocumbi, secretary of the Frelimo Party Central Committee for External Relations and minister for external relations; Feliciano Salomao Gundana, member of the Frelimo Party Central Committee, first secretary of the Manica Provincial Party Committee and governor of Manica; Joaquim Joao Munhepe, member of the Frelimo Party Central Committee and director of the General Personnel Department of the Ministry of National Defence; Alexandre Jose Zandamela, minister of agriculture; Daniel Filipe Gabriel Tembe, vice-minister of commerce; Lopes Ndelana Tembe, ambassador extraordinary and plenipotentiary of the People's Republic of Mozambique to the DPRK — and others.

Attending the welcome function were Comrade Yi Chong-ok, member of the Political Bureau of the Central Committee of the Workers' Party of Korea and vice-president; Comrade Kim Yong-nam, member of the Political Bureau of the WPK central committee, vice-premier of the Administration Council and foreign minister; Comrade Kang Hui-won, alternate member of the Political Bureau of the WPK Central Committee, chief secretary of the Pyongyang Municipal Committee of the WPK and chairman of the Pyongyang Municipal People's Committee; Comrade Choe Tae-pok, secretary of the WPK Central Committee; Yi Kil-song, chairman of the transport commission; Chong Song-nam, minister of external economic affairs; Kim Yong-yong, vice-minister of foreign affairs; Lt. Gen. of the Korean People's Army Chang Pong-chin; and Yi Chong-chong, ambassador extraordinary and plenipotentiary of the DPRK to the People's Republic of Mozambique.

Dailies Mark Visit

SK2005052588 *Pyongyang KCNA in English*
0505 GMT 20 May 88

[Text] *Pyongyang May 20 (KCNA)*—Papers here today carry editorials in welcome of a Mozambican party and government delegation led by Comrade Joaquim Alberto Chissano, president of the Mozambique liberation front party and president of the People's Republic of Mozambique, arriving today in Pyongyang for an official goodwill visit to Korea at the invitation of Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea.

The delegation's current visit to Korea will greatly contribute to further consolidating and developing the friendly and cooperative relations between the peoples of the two countries which have been established in the common struggle for independence against imperialism, says NODONG SINMUN.

It will be also an important occasion in developing friendly relations between Korea and African and non-aligned countries, the paper notes.

The Mozambican people, under the correct leadership of the Mozambique Liberation Front Party, have vigorously striven for the independent development of the country and the building of a new life, the paper says, and continues:

They are firmly defending the sovereignty of the country and the dignity of the nation from the constant threat of aggression by the South African racists and counter-revolutionary armed bandits.

Pursuing socialist, non-aligned policy, Mozambique, a Frontline State of Africa, actively strives for the complete liberation of Africa and develops the relations of friendship and cooperation with socialist countries and other progressive countries.

The Korean people are rejoiced as over their own over all the successes made by the Mozambican people and extend to them firm support and solidarity for their just cause of struggle.

The Mozambican people always stand firmly on the side of the Korean people and positively support the reasonable proposals of the Workers' Party of Korea and the DPRK Government for the independent and peaceful reunification of the country, having a sense of obligation as revolutionary comrades-in-arms. Mozambique has no relations with the South Korean puppets.

The Korean people will make every effort in the future, too, to develop relations of friendship and cooperation with the Mozambican people under the uplifted banner of independence, friendship and peace.

Delegation Tours Pyongyang

SK2005114888 *Pyongyang KCNA in English*
1042 GMT 20 May 88

[Text] *Pyongyang May 20 (KCNA)*—The Mozambican party and government delegation led by Joaquim Alberto Chissano, president of the Mozambique Liberation Front Party and president of the People's Republic of Mozambique, now on an official goodwill visit to Korea called at grand construction sites of Kwangbok Street, Nungnado stadium and other objects in the capital this afternoon.

The guests went round scores of storied apartment houses, public buildings, educational, cultural and public catering and service facilities in Kwangbok Street being erected in the wide areas of time-honored Mang-yongdae in accordance with the far-reaching plan of the great leader President Kim Il-song and our party for the construction of the capital, and the badminton and other gymnasiums and football stadium under construction in the Angol sports village which are nearing completion.

Then they commanded a bird's-eye view of an international cinema house and Yanggakdo football stadium, East Pyongyang grand theatre and the youth theatre and visited the construction site of the Nungnado stadium, a large multi-purpose stadium with 150,000 seats.

The delegation was accompanied by Comrade Yi Chong-ok, member of the Political Bureau of the Central Committee of the Workers' Party of Korea and vice-president, and personages concerned.

CPSU Delegation Tours Pyongyang Attractions
SK2005104288 Pyongyang KCNA in English
1017 GMT 20 May 88

[Text] Pyongyang May 20 (KCNA)—The delegation of the Communist Party of the Soviet Union led by Secretary of the CPSU Central Committee Aleksandra Biryukova visited the Tower of the Chuche Idea on May 19.

It was accompanied by Secretary of the Central Committee of the Workers' Party of Korea Yon Hyong-muk.

Listening to an explanation about the Tower of the Chuche Idea which was built splendidly as a grand monumental edifice under the wise guidance of our party, in accordance with its noble intention to make the great revolutionary idea and immortal revolutionary feats of the respected leader President Kim Il-song shine forever, the guests went round with keen interest the tower, group sculptures and other structures.

Then, they enjoyed a bird's eye view of Pyongyang on the observation stand atop the tower.

They also visited the Pyongyang Students and Children's Palace and saw a performance given by the art circle members of the palace.

The delegation went to the grand people's study house, the Pyongyang metro and the Mansudae art studio on the same day.

Earlier, it visited the construction sites of the Sunchon Vinalon complex and Kwangbok Street and the Nungnado stadium, the Pyongyang synthetic leather factory and the Sunchon leather shoe factory.

Syrian Foreign Minister Sends Solidarity Letter
SK2005105788 Pyongyang KCNA in English
1039 GMT 20 May 88

[Text] Pyongyang May 20 (KCNA)—A solidarity letter has come to DPRK foreign minister Kim Yong-nam from Syrian foreign minister Faruq al-Shar' supporting the proposal for the convocation of a North-South joint conference advanced by the great leader President Kim Il-song in his new year address for 1988.

The letter says:

The Democratic People's Republic of Korea under the leadership of his excellency President Kim Il-song has striven and is striving to prevent a permanent split of the nation and reunify the country peacefully.

The latest new proposal is part of such consistent efforts of the DPRK.

The Syrian Arab Republic which firmly supports the position of the DPRK for a peaceful reunification of the country and a peaceful settlement of the Korean question declares once again its full support to this new proposal.

Yi Song-ho at PLO Friendship Gathering
SK2005044188 Pyongyang KCNA in English
0425 GMT 20 May 88

[Text] Pyongyang May 20 (KCNA)—A friendship gathering took place at the Pyongyang International House of Culture on May 19 on the "Week of Support to the Palestinian People."

Present on invitation were Mustafa Safarini, representative of the Palestine Liberation Organization to Korea, and officials of the Palestine mission.

Yi Song-ho, vice-chairman of the Committee for Cultural Relations with Foreign Countries and vice-chairman of the Korean committee for Asian-African solidarity, and other officials concerned were present.

The participants first saw the Korean documentary film "Korea Visit of the Chairman of the Executive Committee of the Palestine Liberation Organization."

Then, they had a talk in a friendly atmosphere.

Japanese Use Seoul Olympics as 'Reinvasion Moves'
SK2005045588 Pyongyang KCNA in English
0427 GMT 20 May 88

[Text] Pyongyang May 20 (KCNA)—General director of the National Police Agency of Japan Kanazawa told a meeting in Tokyo on May 18 that the security of the Seoul Olympics would be defined as the supreme task this year and all police forces be mobilized to this end, according to a report.

This fully reveals the sinister intention of the Japanese reactionaries to tighten political and military tieups with the South Korean puppets under the pretext of "Olympic security."

Now the U.S. imperialists and the South Korean puppet clique continue building up aggression forces around Korea and getting more hysteric in their adventurous war moves under the pretext of fictitious "threat of terrorism" and "security of the Olympics." In keeping with this, the Japanese reactionaries are strengthening collusion with the No Tae-u clique, a group of pro-American, pro-Japanese flunkeyist traitors, after it took office, and entering into a full-fledged stage in their manoeuvres to reinvade South Korea and openly joining the U.S. imperialists in the policy of aggression on Korea.

The Japanese reactionaries' reinvansion moves toward South Korea and hostile policy against the DPRK are a criminal act obstructing peace and peaceful reunification of Korea and disturbing peace in Asia and the world.

The remarks of the general director of the Japanese National Police Agency about "security measures for the Seoul Olympics" were intended to justify these criminal moves of the Japanese reactionaries.

Influence of U.S. Forces in South Decried
SK2005063388 Pyongyang KCNA in English
0512 GMT 20 May 88

[Text] Pyongyang May 20 (KCNA)—High-ranking officials of the Pentagon and the State Department of the United States said the occupation of South Korea by the U.S. imperialist aggression forces is "stabilizing" the situation on the Korean peninsula and "maintaining security" in South Korea.

Hitting at this rignmarole, NODONG SINMUN today in a signed commentary terms it a paradoxical baloney aimed at concealing the aggressive nature of the U.S. forces' occupation of South Korea and justifying it.

Their statements are also meant to keep hold on South Korea as a permanent colony and military base of theirs and persist in their separatist and belligerent moves, says the commentary.

It goes on:

The U.S. imperialists' occupation of South Korea is the fundamental factor that resulted in the division of Korea and rendered the situation in the country complicated and uneasy, the root cause of all misfortunes and hardships the South Korean people are now suffering from, the main stumbling block lying in the way of national reunification, and the source of tensions and war.

This notwithstanding, the U.S. imperialists, not content with advertising the "beneficial effects" of their occupation of South Korea, recently made quite a noise as if the U.S. forces' occupation of South Korea were providing openings for the South Korean people, pressing them to pay more of the share for the upkeep of the U.S. forces there. This is, in essence, a scheme to intensify their colonialist plunder against the South Korean people.

Noting that No Tae-u the puppet is begging for continued presence of the U.S. Forces in South Korea and zealously complying with the demand for undertaking greater part of the share for the maintenance of the U.S. forces in South Korea, the commentary says this clearly shows once again his treacherous nature.

There is no pretext or ground whatsoever for the U.S. imperialist aggressors to remain in South Korea, and they must immediately withdraw from there, taking along nuclear and all other mass destruction weapons, stresses the commentary.

South's Remarks on Defense Spending Denounced
SK1905235188 Pyongyang KCNA in English
2204 GMT 19 May 88

[Text] Pyongyang May 19 (KCNA)—Puppet defence minister O Cha-pok on May 17 claimed that the burdens of "defence spendings" should not be reduced till the beginning of the 2000s to cope with the military strength of the North, according to a radio report from Seoul.

It is because, he contended, the proportion of the "defence spendings" in the "gross national product" is low compared with other countries and the combat power of the South is only 62.7 percent of the North's.

He made this sophism at a meeting for the deliberation of amendments to taxation and financial affairs.

This shows that the No Tae-u fascist clique is a group of traitors and war fanatics who are indifferent to the nation and the country and seek their way out in following the U.S. imperialist master's policy of aggression.

As for the proportion of the "defence spendings" in the "GNP" mentioned by him, it is fabulous beyond comparison with any capitalist country, any satellite or colony of U.S. imperialism. The growth rate of "defence spendings" is "number one in the world."

This notwithstanding, the puppets, challenging the demand of public opinion for a drastic cut of military spendings for the sake of people's livelihood, assert that the "defence spendings" must not be slashed, but be increased. This reveals their sinister intention to "justify" their criminal and compliance with the brigandish demand of the U.S. master for a greater share of

burdens on the part of South Korea for the presence of the U.S. imperialist aggressor forces there and to realise their wild design for aggression against the North.

Funeral for Student Suicide Victim Held in Seoul
SK2005044788 Pyongyang KCNA in English
0431 GMT 20 May 88

[Text] Pyongyang May 20 (KCNA)—The funeral of martyr Cho Song-man, a student of Seoul University, who committed suicide, crying for national reunification, co-hosting of Olympics and U.S. troop pullout, was held in Seoul on May 19, according to reports.

In the morning over 10,000 students, citizens and dissidents held a ceremony outside the Myongdong Cathedral to carry the coffin of Cho Song-man out of the cathedral. Then, the coffin was moved by Cho Song-man's fellow students to the park of the Kyonghui Palace, the site of the funeral.

The funeral began at 8:30 a.m. with the attendance of over 20,000 dissidents, students and citizens and the bereft family of the deceased.

While the dirge floated and voices criticizing the No Tae-u fascist "government" burst forth, the family and relatives of the deceased and attendants expressed their firm will to realise the last words of martyr Cho Song-man.

At the end of the funeral ceremony, the attendants moved slowly in a procession.

They criticised the United States for inflicting misfortunes and sufferings on the South Korean people and called for driving the U.S. imperialist aggressor forces out of South Korea.

They bitterly charged that the United States is to blame for the division of the Korean peninsula into North and South.

The procession reached the plaza of the "city hall" through the Kwanghwa Gate. They held an outdoor service with over 50,000 citizens and students packing the plaza and nearby streets.

And they held the second outdoor service at Seoul University, the alma mater of the deceased.

The fascist clique mobilized riot police in fatigue and armored vehicles for a strict cordon, but could not suppress the students and citizens, overcome by their high spirit.

The coffin of the deceased left Seoul for the Mangwol-dong Cemetery in Kwangju, a city of resistance, where the fallen uprisers are interred.

After the procession left, over 10,000 students and citizens who had participated in the outdoor service in front of the "city hall" held a demonstration from 12:30 with sorrow at having lost the student and with furious anger at the U.S. imperialists and the No Tae-u fascist clique.

SKNDF Statement on Suicide
SK1905151688 Pyongyang KCNA in English
1459 GMT 19 May 88

[Text] Pyongyang May 19 (KCNA)—The spokesman for the South Korean National Democratic Front (Han-minjon) published a statement on May 16.

The statement says:

Cho Song-man, student of Seoul University, committed suicide by stabbing himself in the belly and jumping from the rooftop of a building. This was an eruption of the resentment and wrath at the No Tae-u military "government" which has cheated the people with false "commitments to democratisation" and at the United States which is wirepulling it, and an expression of the will to bring about a new era of independence, democracy and reunification with a death-defying resistance.

Cho Song-man's action is a resistance out of resentment at the United States and the No Tae-u military "government" cheating the people and a spark of the anti-U.S., anti-military rule struggle calling the entire people to a sacred war for independence, democracy and reunification, with the Kwangju anniversary as an occasion.

All people who cherish independence, democracy and reunification should participate in the democratic people's funeral paying the last honor to patriotic martyr Cho Song-man, turn the sorrow at losing one more patriotic student into indignation and take to the square of the Second May resistance.

Chongnyon Marks Kwangju Uprising Anniversary
SK1905235588 Pyongyang KCNA in English
2209 GMT 19 May 88

[Text] Tokyo May 18 (KNS-KCNA)—A central rally of Koreans in Japan supporting the South Korean people's just struggle was held in Tokyo on May 18 on the eighth anniversary of the Kwangju popular uprising.

In his speech, Vice-chairman Pak Chae-no of the Central Standing Committee of the General Association of Korean Residents in Japan (Chongnyon) said:

Even many years later, we will never forget the crimes of the U.S. imperialists who ordered to kill the participants in the Kwangju popular uprising and of the No Tae-u-Chon Tu-hwan fascist clique who massacred fellow countrymen at this order. The officials of Chongnyon

and Koreans in Japan should actively support the South Korean people in the just struggle for independence, democracy and reunification.

He further said:

The U.S. imperialists, the South Korean puppet clique and the Japanese reactionaries tied up together are carrying on a campaign against the DPRK and Chongnyon. But the Koreans in Japan have rallied themselves more firmly around Chongnyon and enhanced their fighting spirit.

The Japanese authorities must immediately stop their false propaganda and hostile policy toward the DPRK.

In their speeches, Yuzuru Shimazaki, member of the House of Representatives and general secretary of the Special Committee for Measures on Korean Affairs of the Japan Socialist Party, and other Japanese figures expressed solidarity with the South Korean people in the struggle for democracy in society.

They strongly demanded that the Japanese government repeal the groundless, unreasonable "sanctions" and immediately stop its hostile policy toward the DPRK.

Indignant speeches were made at the rally.

Kim Il-song Replies To Condolence Messages
SK2005043588 Pyongyang KCNA in English
0419 GMT 20 May 88

[Text] Pyongyang May 20 (KCNA)—Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea, sent messages to foreign party and state leaders in reply to their messages of condolence over the death of Comrade Yim Chun-chu, member of the Political Bureau of the WPK Central Committee and vice-president of the DPRK.

The reply messages were addressed to Comrade Yang Shangkun, president, and Comrade Wang Zhen, vice-president, of the People's Republic of China, Comrade Erich Honecker, general secretary of the Central Committee of the Socialist Unity Party of Germany and chairman of the State Council of the German Democratic Republic, Comrade Gustav Husak, member of the Presidium of the Central Committee of the Czechoslovak Communist Party and president of the Czechoslovak Socialist Republic, Comrade Vo Chi Cong, president of the State Council of the Socialist Republic of Vietnam, Comrade Karoly Nemeth, president of the Presidential Council of the Hungarian People's Republic, His Highness Samdech Norodom Sihanouk, president of Democratic Kampuchea, Chadli Bendjedid, president of the Algerian Democratic and People's Republic, Muhammad Husni Mubarak, president of the Arab Republic of Egypt, Brigadier General Lansana Conte, president of

the Military Committee of National Redressment, president and head of state of the Republic of Guinea, General Ibrahim B. Babangida, president and commander-in-chief of the Armed Forces of the Federal Republic of Nigeria, Major Pierre Buyoya, president of the Republic of Burundi and chairman of the Military Committee for National Salvation, and H. Desmond Hoyte, president of the Cooperative Republic of Guyana.

In the reply messages, President Kim Il-song expressed heartfelt thanks for their messages of deep condolences over the death of Comrade Yim Chun-chu.

Condolences From USSR, Poland
SK2005104788 Pyongyang KCNA in English
1037 GMT 20 May 88

[Text] Pyongyang May 20 (KCNA)—The Central Committee of the Workers' Party of Korea and the Central People's Committee of the Democratic People's Republic of Korea sent messages to their foreign counterparts in reply to their messages of condolence over the death of Comrade Yim Chun-chu, member of the Political Bureau of the WPK Central Committee and Vice-president of the DPRK.

The reply messages were addressed to the Central Committee of the Communist Party of the Soviet Union and the Presidium of the Supreme Soviet of the USSR, and the Central Committee of the Polish United Workers' Party and the State Council of the Polish People's Republic.

In the reply messages, the WPK Central Committee and the DPRK Central People's Committee expressed sincere thanks to them for their messages of deep condolences over the death of Comrade Yim Chun-chu.

Kim Il-chol Speaks at Wonsan KPA Banquet
SK2005064688 Pyongyang Domestic Service in Korean
2200 GMT 12 May 88

[Speech by Senior Vice Admiral Kim Il-chol, commander of the KPA Navy, at a 12 May banquet given by the KPA Naval Command and the Kangwon Provincial People's Committee in Wonsan City—read by announcer]

[Text] On this occasion filled with revolutionary amity and friendship, I again warmly welcome the visit to our country by the flotilla of the Soviet Red Flag Pacific Fleet with the antisubmarine cruiser "Novorossiysk" as its flag ship.

A visit to Wonsan City by the flotilla of the Red Flag Pacific Fleet for the third time greatly encourages the people in Kangwon Province and Wonsan City and soldiers in units stationed there. This also vigorously demonstrates the invincible vitality of the Korean-Soviet friendship. The Korean-Soviet friendship is based upon the firm relations of class alliance and comradely love

and has a long historic tradition. For a long time from the struggle to oppose the Japanese militarists to today, when socialist construction is being carried out, the communists and people of the two countries of Korea and the Soviet Union, as class brothers and revolutionary comrades-in-arms, have firmly supported and cooperated with each other, and in this process, have formed invincible fraternal friendship.

The visits to the Soviet Union by the great leader of our people Comrade Kim Il-sung in 1984 and 1986 and the historic meetings of the leaders of the two countries were historic events that brilliantly decorated the chronicle of the Korean-Soviet friendship. At this time, when we are together with the fraternal Soviet friends, we are pleased with the fact that the garden of the Korean-Soviet friendship is fully blossoming, and are resolved to positively make efforts to endlessly consolidate and develop this valuable friendship.

Today, the fraternal Soviet people and Soviet armed forces, under the leadership of the CPSU, upholding the decision of the 27th party congress and implementing reforms in all fields, are positively making efforts to defend peace and security in the world. Our people wish the Soviet people greater success in their future struggle. We positively support the peaceful proposals and initiatives that the Soviet party and government advanced to prevent the danger of a nuclear war and to guarantee stable peace in Europe, Asia, and the Pacific, and welcome the fundamental agreement between the Soviet Union and the United States on abolishing medium-range and intermediate-range missiles. In addition, we expect the upcoming Soviet-U.S. Moscow summit meeting to bring about new positive results in overall arms reduction, including reducing strategic offensive weapons by 50 percent.

Today, our people, while crushing all of the enemy's ever-vicious aggression and war maneuvers, are firmly defending the eastern socialist guardpost. Upholding the letter and slogans of the party Central Committee, which call for the 200-day campaign on the occasion of the 40th anniversary of the national festive day, our people, who are firmly united with a single ideological will around the party Central Committee led by the respected and beloved Comrade Kim Il-sung, are scoring new innovations in all fronts of socialist construction. To turn this year favorable to peace on the Korean peninsula and peaceful reunification, the government of our Republic advanced a proposal to convene a North-South joint conference and is struggling to realize it. However, the United States and the persons in authority in South Korea, not accepting any of our peace proposals and initiatives, responded with the "Team Spirit-88" joint military exercise and, under the pretext of safely holding the Olympic games, in particular, are aggravating the situation on the Korean peninsula to the extreme. Our people, while paying keen attention to every move of the enemy's, will reliably defend security for the socialist fatherland and will more vigorously carry out the grand

socialist construction. Our people, being firmly united with the people of the socialist countries, including the Soviet people, and the world's progressive people, will also in the future more vigorously wage an antiwar, antinuclear struggle for peace.

The fraternal friendship between the people and armed forces of the two countries of Korea and the Soviet Union will be eternal.

On this occasion filled with friendly sentiment, I propose a toast to the invincible combatant friendship and unity between the people and armed forces of the two countries of Korea and the Soviet Union; the long life and good health of the respected Comrade Mikhail Sergeyevich Gorbachev; the long life and good health of the great leader Comrade Kim Il-sung; the long life and good health of the dear leader Comrade Kim Chong-il; the good health of the respected Comrade Gennadiy Khvato; the good health of the respected Comrade Ambassador Gennadiy Bartoshevich; the good health of dear soldiers of the Soviet Red Flag Pacific Fleet; and the good health of all comrades present on this occasion.

NODONG SINMUN on Self-Reliant Defense
SK1905160188 Pyongyang KCNA in English
1525 GMT 19 May 88

[Text] Pyongyang May 19 (KCNA)—NODONG SINMUN today carries a signed article entitled "Independence, Self-sustenance and Self-reliance in Defence Are the True Way for the Development and Prosperity of Our Republic."

The history of the Democratic People's Republic of Korea over the past four decades was a history of great creation and innovations in which it has created everything from scratch under the most difficult and complicated circumstances and made constant leaps and bounds from the backward to the advanced level, the article says, and goes on:

This proud history has been created as our republic has advanced dynamically along the line of independence, self-sustenance and self-reliance in defence under the guidance of the party and the leader.

The revolutionary line of independence, self-support and self-reliant defence is a genuine line of building an independent, sovereign state and a banner of the development and prosperity of our republic.

The great leader Comrade Kim Il-sung said:

"The government of the Republic has thoroughly implemented the revolutionary line of independence, self-support and self-reliant defence in all areas of the revolution and construction, and thus turned our country into a mighty socialist state politically independent, economically self-supporting and self-reliant in national defence."

It was not until the great leader Comrade Kim Il-song founded the *chuche* idea and, on this basis, put forward the revolutionary line of independence, self-support and self-reliant defence that the genuine line of building an independent, sovereign state was elucidated.

Under the guidance of the party and the leader, our republic has consistently maintained the revolutionary line of independence, self-support and self-reliant defence and advanced along the road of its implementation no matter how complicated the situation at home and abroad might become and no matter what grim trials might crop up. The history of our republic is shining precisely for this.

Underlining the fact that the republic has all along adhered to the principle of independence in politics, self-support in economy and self-reliance in national defence, the article says:

We have established *chuche* in ideology and thoroughly implemented the principle of independence, self-support and self-reliant defence, and thus paved a shortcut to socialism and communism and built up great economic potentials and defence capabilities virtually from scratch. This is a heroic epic of tremendous creation and innovations brought about by the great *chuche* idea and an important summing-up of the history of our republic.

The course along which our republic has implemented the revolutionary line of independence, self-support and self-reliant defence is shining as a proud course of accelerating the revolution and construction in reliance upon our internal forces.

Not only are the lines held fast to and implemented by us revolutionary ones embodying the *chuche* idea but also the struggle for their implementation has been waged independently in compliance with the requirements of the *chuche* idea. Our people's national spirit of independence and revolutionary pride are high beyond compare for this.

Today our country is widely known in the world as a land of *chuche* and is praised by the progressive people. Our country, where flunkeyism had been deeply rooted from historical point of view, owes this glory to the correct guidance of the great leader and our party. The great might of the homeland of *chuche* is being given fuller scope under the leadership of our party centre which, upholding the banner of the *chuche* idea founded by the great leader, is guiding the people to firmly establish *chuche* in all domains of the revolutionary struggle and construction work in keeping with the requirements of the developing revolution.

We must forge ahead vigorously along the road of independence, self-support and self-reliant defence, with a high sense of revolutionary spirit, however complicated the situation may be and come what may. This is the way for our people to defend the dignity and honour of the Republic and achieve eternal development and prosperity of the nation.

SKNDF Greet Czech Communists on Anniversary
SK1905113288 (Clandestine) Voice of National Salvation in English to South Korea 2330 5 GMT 15 May 88

[Congratulatory message sent 13 May by the SKNDF Central Committee to the Central Committee of the Czech Communist Party marking the 67th anniversary of the founding of the Czech Communist Party—read by announcer]

[Text] Central Committee, Czechoslovak Communist Party, Prague, Czechoslovakia.

The Central Committee of the National Democratic Front of South Korea, a patriotic vanguard of South Korean people, extends warm congratulations to the Central Committee of the Czechoslovak Communist Party on the occasion of the 67th anniversary of the party's foundation. The foundation of the Czechoslovak Communist Party was a historic turning point in the struggle of the Czechoslovak people against exploitation, oppression, and foreign (?intervention). Leading the Czechoslovak working-class people, the party liberated the country from Hitler's (?aggressors) and established an advanced socialist system. Today, it made great (?progress) in the struggle to implement the decisions of the party's 17th congress. [Word indistinct] that the relations of friendship and cooperation between our two parties will further develop with the anti-imperialist common struggle to create a new peaceful world, we take this opportunity to sincerely wish [word indistinct] people greater success.

[Signed] Central Committee, National Democratic Front of South Korea, Seoul, 13 May 1988.

South Korea

Students Stage Attack on U.S. Embassy
SK2005060388 Seoul Domestic Service in Korean 0400 GMT 20 May 88

[Text] College students intruded into the compound of the U.S. Embassy, climbing over its wall after throwing home-made bombs, and staged a demonstration there for approximately 15 minutes. Five of the students were arrested by police. At around 1130 this morning, in front of the U.S. Embassy located at Sejongro, Seoul, seven college students, including O Hyong-kyu, senior of the Political Department of Seoul National University, threw three home-made bombs into the embassy.

Five of them, including O Hyong-kyu, intruded into the embassy, climbing over its wall with a ladder, and staged a demonstration there for about 15 minutes before they were arrested and taken away to the Chongno Police Station.

After being taken away to the police station the students identified themselves to be members of a suicide corps belonging to the General Federation of Students in Seoul District.

At around 1120 this morning, they got off a bus in front of the building of the Korean Electricity and Communications Corporation and approached the embassy. O Hyong-kyu first threw a bomb at an embassy wall on the left side of its rear gate. With this as a signal, throwing home-made bombs, they intruded into the embassy compound, climbing over the right side wall of the main gate.

Of the bombs the students threw, two exploded on the grounds of the embassy and one exploded near a wall. Policeman Cho Ok-han who was on security duty was wounded in his leg.

After intruding into the embassy ground the students staged a demonstration, holding a large placard on which the slogan "Let Us Drive Out the U.S. Imperialists, the Main Culprit of the Kwangju Massacre" was written and disseminating some 40 leaflets on the spot. They were arrested by policemen and embassy security guards and taken to the police station.

(Kim Si-yol), senior of the Department of Politics and Diplomacy of Korea University, was injured. Two students, including Pak Ong-ik, senior of the History Department of Kyonghui University, who failed to enter the embassy, escaped towards the Sejong Cultural Hall, after exploding a home-made bomb. They were also arrested by the police.

People in office buildings around the embassy and pedestrians were startled by the bomb explosions, and traffic became heavily congested for a while.

The home-made bombs they threw were ones made out of empty cans. Their detonating sounds were not so loud and traces of the explosion were not large. Therefore, it is believed that the bombs were not high explosive bombs.

HANGYORE SINMUN Reports Student's Funeral
SK2005233588 Seoul HANGYORE SINMUN in Korean
20 May 88 p 7

[Excerpts] The democratic people's funeral for the late Cho Song-man—a patriot of unification—who threw himself from the top of a building at the Myongdong Cathedral in Seoul on 15 May while calling for the unification of the Korean peninsula and for the North-South cohosting of the Olympics, was held on 19 May amid the mourning of some 10,000 citizens and students. He was buried at the Kwangju Mangwol-dong Cemetery on the evening of that day, where other democratic fallen patriots are in eternal sleep.

His remains left the bier of the Myongdong Cathedral and arrived in Kwangju via Chonju, following a funeral ceremony at the Kyonghui Palace Park and an on-the-road ritual at the Seoul City Hall plaza and at Seoul National University, where he had attended. [passage omitted]

After the on-the-road ritual in front of city hall, some 7,000 citizens and students held a rally calling for the punishment of the ringleader of the Kwangju massacre. They were forcibly dispersed by police at around 1345. The citizens and students scattered amid the police firing of tear gas canisters and continued to demonstrate sporadically around city hall for 4 hours. Some of the demonstrators who were marching toward Ulchiro Street threw stones at the Seoul American Cultural Center and broke seven large windowpanes.

Meanwhile, at the Seoul National University, after his remains left for Chonju, some 1,000 students, while shouting slogans such as "Let us realize the cohosting of the Olympics," marched 2 km outside of the campus. They were dispersed by police at around 1630.

Huge Crowds Attend Funeral
SK2005012388 Seoul THE KOREA TIMES in English
20 May 88 p 3

[Text] The funeral ceremony for Cho Song-man, a Seoul National University student who jumped to his death from a building in the compound of Myong-dong Cathedral last Sunday, was held at 10 a.m. yesterday at the old site of the Seoul High School near Kwanghwamun intersection.

Some 7,000 people including bereaved family members, political and dissident leaders, students and citizens attended the ceremony that lasted for about two hours.

Among the participants were Kim Tae-chung, president of the Party for Peace and Democracy; Kim Yong-sam, president of Reunification Democratic Party; and such dissident leaders as Kye Hun-chae, Mun Ik-hwan, Paek Ki-wan, Song Kon-ho and Yi Pu-yong.

The ceremony started with the opening speech of Rev. O Chung-il in which he said, "We came here not for the eternal parting with patriot Cho but to resolve to continue the national grand march with Cho until the day of peace and unification."

"Patriot Cho is awakening 60 million national people living in the divided fatherland by sacrificing himself," he went on to say.

A prayer for the dead, brief report on Cho's career, reading of the will Cho left behind and words of condolence by Yi Pu-yong followed the opening speech.

Following the ceremony, the funeral procession stopped at city plaza for street rituals at around 1 p.m. before reaching the campus of Seoul National University for another rite before heading for Mangwol-dong Cemetery in Kwangju.

Breaking loose from the mourners at Seoul city plaza, a large number of youths, probably university students, rallied at nearby areas shouting various anti-government slogans.

They clashed with riot police, which at times responded with firing tear gas canisters.

The protesting youths took up several positions near the Midopa Department Store and the Daeyungak building. Some seized the underground pass at Ulchiro intersection.

Riot policemen took up position at key strategical points in the heart of the city where youths were rioting.

Along the way to Kwangju, the funeral procession had a stopover in Chonju where Cho was born for a brief ritual. Cho's body was buried late last night in the Mangwol-dong Cemetery where the victims of the Kwangju Incident were buried.

Earlier yesterday morning, Cho's coffin was moved to Myong-dong Cathedral from the morgue on the church premises by 12 fellow students at 7:30 a.m. and there was a brief Catholic ceremony before heading for the funeral site.

The ceremony was presided over by Father Chong Ui-cha. He said in the prayer that "Cho's death severed a strong warning toward the people living in the divided territory."

The procession carrying Cho's coffin slowly marched toward the funeral site through Myong-dong street, past Midopa Department Store, Kwanggyo intersection and along Chongro Street.

A lot of citizens came out on both sides of the street to see the funeral procession, causing utter congestion in the downtown area. Traffic in major streets in the morning was completely paralyzed for about three hours.

Due to the street ritual which took place in front of Seoul City Hall from around 1 p.m., traffic in central area was also blocked for about two hours in the afternoon.

Students Attack 2 DJP Offices, KBS Building
SK2005022788 Seoul THE KOREA HERALD
in English 20 May 88 p 3

[Text] College students attacked DJP offices in Wonju, Kwangwon-do, and in Onyang, Chungchongnam-do, Wednesday. The Wonju KBS building was also attacked.

More than 100 students from Wonju college of Yonsei University hurled petrol bombs and rocks at the Wonju chapter office and the KBS building at 8:15 p.m.

Twelve windows of the party office and the broadcasting station were shattered, police said.

The students poured into the streets after attending a ceremony marking the eighth anniversary of the May 18 Kwangju uprising.

Three passers-by were hurt, police said.

In Onyang, some 100 students from Sunchonhyang University hurled stones at the district chapter office at about 7 p.m., smashing seven windows and a signboard.

They called for a full-scale parliamentary investigation into the Kwangju uprising and the release of all "prisoners of conscience."

Some of the students, who were fleeing tear-gas firing riot police, dashed toward the DJP's office and threw rocks.

About 40 people, including 30 riot policemen, were injured during the protest, police said. Ten students and citizens were taken to the police, but soon released.

Student Attempts Self-Immolation
SK2005024988 Seoul THE KOREA HERALD
in English 20 May 88 p 3

[Text] A college student who attempted to burn himself to death is in critical condition.

Choe Tok-su, a law student at Chonan College of Danguk University, suffered serious burns over half his body Wednesday.

He was rushed to Sunchonhyang Hospital in downtown Chonan. Later in the day, he was transferred to Hangang Sacred Heart Hospital in Yongdungpogu, southwestern Seoul, after his condition worsened.

It is premature to say whether the student will survive, doctors said.

Choe, 20, a freshman, doused petroleum over his body and set himself on fire around 11 a.m. Wednesday in front of the student hall. He was protesting against a campus festival being held during the memorial week for the 1980 Kwangju uprising, students said.

Meanwhile, about 100 students of the college gathered in the yard of Sacred Heart Hospital and staged an overnight sit-in, chanting antigovernment slogans.

Kim Yong-sam Holds Talks With Kissinger
SK2005012088 Seoul THE KOREA TIMES in English
20 May 88 p 2

["Press Pocket" column: "Neutral Stand"]

[Text] Kim Yong-sam called for neutral stance by the United States administration in domestic political affairs when he received a courtesy call from former U.S. secretary of state Henry Kissinger yesterday.

"The U.S. government's support of the military dictatorships in our country has triggered mounting anti-American sentiment here," the Reunification Democratic Party [RDP] president told Kissinger over breakfast at his home in Sangdo-dong.

Kim said, "The U.S. government should take neutral stand with regard to the domestic political situation, so as not to cause misunderstanding and trouble between the two people."

The former U.S. secretary of state expressed his interest in the inter-party relationships between the three opposition parties which together represent a majority in the National Assembly, according to a senior RDP member who attended the meeting.

The RDP president expressed his expectation of "positive prospects" for cooperation between the RDP and the Party for Peace and Democracy and the New Democratic Republican Party [NDRP].

Kissinger told Kim that he was aware that some people in Seoul have suggested revising the Constitution to adopt the parliamentary cabinet system.

Kim Yong-sam, however, ruled out such a possibility, by saying, "It is not possible at all nor wanted by the people as the direct election of the president has been reintroduced upon the demands of the Korean people."

"It is nothing but a rumor being circulated by the ruling camp for its own political maneuverings," Kim was quoted as saying.

Kissinger, who came here to attend a seminar en route to China, also met later with NDRP president Kim Chong-pil.

Preliminary List of Olympic Entries
SK1805050088 Seoul YONHAP in English
0427 GMT 18 May 88

[Text] Seoul, May 18 (YONHAP)—One-hundred-twenty-five countries which have submitted preliminary entries for their teams at the Seoul Olympics this summer:

Country	Total	Players	Officials
Algeria	109	55	54
Andorra	11	6	5
Aruba	16	8	8
American Samoa	29	21	8
Australia	415	305	110
Austria	176	118	58
Bahamas	43	32	11
Bangladesh	12	7	5
Barbados	44	30	14
Belgium	119	73	46
Benin	17	11	6
Bermuda	45	27	18
Bhutan	7	3	4
Burma	7	2	5
Bolivia	40	38	2
Botswana	15	9	6
Brazil	289	220	69
Bahrain	35	22	13
Bulgaria	350	271	79
Burkina Faso	19	11	8
Central Africa	27	16	11
Canada	743	536	207
Cayman Islands	16	10	6
China	468	322	146
Cameroon	33	16	17
Cook Islands	11	7	4
Cyprus	21	14	7
Denmark	271	193	78
Djibouti	16	8	8
Dominican Rep.	27	18	9
Ecuador	32	20	12
Egypt	90	64	26
El Salvador	18	9	9
Fiji	48	33	15
Finland	245	172	73
Germany	665	538	127
Gabon	8	5	3
Gambia	27	18	9
Great Britain	619	431	188
German Dem. Rep.	469	370	99
Guinea	8	6	2
Ghana	38	25	13
Greece	156	107	49
Grenada	10	6	4
Guatemala	84	45	39
Guam	47	28	19
Guyana	23	16	7
Haiti	9	5	4
Hong Kong	104	78	26
Holland	356	244	112
Honduras	19	12	7
Hungary	366	278	88
Indonesia	73	41	32
India	109	70	39
Ireland	188	133	55
Iran	43	31	12
Iraq	82	50	32
Iceland	50	33	17
Israel	47	20	27
Virgin Islands	69	39	30
Italy	592	392	200

Country	Total	Players	Officials
British Virgin Islands	13	7	6
Jamaica	64	43	21
Japan	409	304	105
Kenya	110	84	26
Korea	644	471	173
Saudi Arabia	32	15	17
Kuwait	88	62	26
Laos	15	10	5
Libya	5	5	
Liberia	17	10	7
Liechtenstein	27	15	12
Malaysia	28	12	16
Malawi	37	28	9
Maldives	10	6	4
Mexico	258	179	79
Mongolia	49	32	17
Malta	17	11	6
Monaco	27	11	16
Mozambique	43	33	10
Mauritius	38	27	11
Nigeria	195	153	42
Papua New Guinea	30	22	8
Norway	156	105	51
Oman	35	14	21
Pakistan	73	53	20
Panama	22	9	13
Paraguay	41	23	18
Poland	348	270	78
Portugal	138	98	40
Qatar	30	18	12
Romania	172	126	46
Senegal	58	31	27
Singapore	25	12	13
Sierra Leone	36	23	13
San Marino	32	23	9
Solomon Islands	16	10	6
Somalia	17	10	7
Sri Lanka	12	6	6
Sudan	10	10	
Switzerland	214	141	73
Suriname	15	6	9
Sweden	331	218	113
Syria	43	26	17
Czechoslovakia	232	171	61
Tonga	17	11	6
Thailand	41	27	14
Togo	13	9	4
Taiwan	143	91	52
Trinidad and Tobago	41	27	14
Tunisia	66	45	21
Turkey	76	51	25
United Arab Emirates	23	14	9
Uganda	24	15	9
USSR	784	625	159
Uruguay	67	42	25
United States of America	808	639	169
Vanuatu	9	4	5
Vietnam	15	11	4
St. Vincent and the Grenadines	17	14	3

Country	Total	Players	Officials
Yemen Arab Rep.	36	17	19
Yemen Dem. Rep.	7	5	2
Yugoslavia	291	220	71
Zambia	60	43	17
Zimbabwe	54	42	12

North's Participation Discussed

SK2005010388 Seoul THE KOREA TIMES in English
20 May 88 p 2

[Text] Chief policy makers of the three major opposition parties will meet today to discuss how to seek the participation of North Korea in the Seoul Olympics.

They are likely to call on the government to demonstrate "magnanimity" toward Pyongyang and persuade it to join the Seoul Games.

They will discuss whether South and North Korea can form a unified team or whether the international sports meet can be co-hosted by Seoul and Pyongyang.

Chong Tae-chol, chief policy maker of the Party for Peace and Democracy, said yesterday he will propose that Seoul and Pyongyang share revenues to be accrued from the Seoul Olympics to ensure North Korea's participation.

He added that the Summer Olympics should be a great occasion to promote peaceful exchanges between the south and north.

Hwang Pyong-tae of the Reunification Democratic Party is expected to suggest today that high-ranking sports officials from Seoul and Pyongyang hold a meeting in an open manner.

Kim Yong-sam said Wednesday that the Seoul Olympics is not only an international sports festival but also an occasion to seek East-West detente.

The Seoul Olympics should become a forum for national peace and integration to give hope to Koreans suffering from the painful national division, Kim added.

He called on the government to prepare to make necessary concessions to ensure the participation of North Korea in the Olympiad.

Kim Chong-pil's NDRP also said that the government should make its utmost efforts to ensure North Korea's participation.

The meeting of the policy makers is a follow-up measure to an agreement of the three opposition leaders made during their get-together Wednesday.

Government To Accommodate Unification Views
SK2005010988 Seoul THE KOREA TIMES in English
20 May 88 p 2

[Text] The government plans to positively accommodate views from all quarters of society, including dissident groups, in formulating the country's unification policies.

Along this line, the government invited about 10 noted dissidents including Yi Tonmyong and Ko Hung-mun to recent "informal seminars" sponsored by the Board of National Unification and other relevant authorities, and heard their views on unification."

It plans to brief Mun Ik-hwan and several other dissidents on the progress of South-North Korean dialogue and the government's unification policies.

The government will also sponsor policy consultation sessions with public officials and dissidents who have held radical ideas regarding unification.

A highly-placed government official said that the administration has been misunderstood as having capitalized on national security issues for its own political interests since inter-Korean relations have not been conducted through open channels."

The unification policies will be worked out in the days ahead with major emphasis being given to accommodating a wide range of views from all walks of life, he went on.

But, he said that it may be inevitable that the government will have to serve as a unified channel for all kinds of dialogue between South and North Korea, in view of the current inter-Korean relations.

A presidential aide said that there will be a session of relevant ministers shortly to review the unification strategy, especially focused on the co-sponsoring of the September Seoul Olympics.

No-3 Kims Unlikely To Meet Before Assembly
SK2005075788 Seoul YONHAP in English
0747 GMT 20 May 88

[Text] Seoul, May 20 (YONHAP)—The proposed meeting among the top leaders of the nation's ruling and opposition camps is unlikely to be materialized before the inauguration of the new National Assembly as key aides of the leaders Friday failed to iron out their differences on whether the government party's second man should also be attending the meeting.

Secretaries general of the three opposition parties visited chief presidential secretary Hong Song-chol Friday to discuss the proposed talks but failed to narrow their differences on whether ruling party chairman Yun Kil-chung would be invited to the talks.

The secretaries general informed Hong of an agreement reached Wednesday by heads of their parties calling for a four-way meeting in which the four participants would attend in their capacity as presidents of their respective political parties. The agreement excluded Yun from participating. President No Tae-u still holds presidency in the ruling Democratic Justice Party.

Hong, however, explained about President No's willingness to invite, in his capacity as the chief executive, the leaders of the ruling and the three opposition parties to a luncheon next Tuesday in an effort to establish a harmonious relationship between the parliament and the administration.

Presidential spokesman Yi Su-chong said No agreements were reached in the meeting between Hong and the opposition party officials.

The ruling party leaders have allegedly expressed displeasure with the opposition call for a four-way meeting agreed to during Wednesday's talks among the presidents of the three opposition parties, or the so-called three Kims.

Yun told reporters Thursday that the opposition leaders were trying to exclude him from the talks which he had proposed.

In their first formal talks since the April general elections, in which the opposition won a combined majority of National Assembly seats, Kim Tae-chung, Kim Yong-sam and Kim Chong-pil demanded that No attend the meeting in his capacity as president of the ruling party. The three Kims ran unsuccessfully against No in the presidential election last December.

The three Kims also agreed to form five special parliamentary committees in the assembly's inaugural session to probe authoritarian legacies of the previous government, despite an agreement already reached by floor leaders of the ruling and opposition parties to form such panels in a separate special session of the parliament.

Yun Attendance Reaffirmed
SK2005025988 Seoul THE KOREA HERALD
in English 20 May 88 p 2

[Text] The ruling Democratic Justice Party yesterday reaffirmed its strong position that DJP Chairman Yun Kil-chung should attend the Chongwadae talks.

"It is natural for Yun to take part in the talks as the DJP representative along with the three opposition leaders as the meeting is designed for No to invite party leaders in his capacity as President to discuss national affairs," DJP spokesman Kim Chung-wie said.

Kim said key officials stressed the need for the DJP to make more efforts to give the public an impression that the ruling party is leading politics.

Saying that a new review of past irregularities and wrongdoings is meaningful, Kim pointed out the four major scandals in the birth of the Third Republic to be subject to the new probe. Kim Chong-pil, president of the New Democratic Republican Party, was involved in the scandals.

Opposition's Call for Special Panels Rejected
SK2005004588 Seoul THE KOREA TIMES in English
20 May 88 p 1

[Text] The government and opposition parties ran into their first major dispute since the April 26 general elections yesterday as the Democratic Justice Party rejected Wednesday's opposition accords on the formation of parliamentary investigation panels and joint talks of political leaders.

Key DJP executives and government officials have decided to turn down the opposition parties' proposal to set up five special panels in the National Assembly during its inaugural session.

In the daily top-level strategy meeting of the ruling camp, they also reaffirmed that DJP chairman Yun Kil-chung is naturally entitled to attend the four-way talk between President No and the three opposition leaders.

Kim Tae-chung, Kim Yong-sam and Kim Chong-pil, in their first formal meeting as heads of each party Wednesday, agreed to organize provisional House panels to investigate the 1980 Kwangju incident and alleged corruption by the Chon Tu-hwan family, among others.

They opposed the presence of Yun at the projected meeting between presidents of the ruling and opposition parties, unilaterally scheduling it for Tuesday.

The floor leaders of the four parties tried to find a compromise yesterday afternoon only to confirm their wide differences.

They will discuss the matters today.

Should they fail to remove the first political stumbling block since the parliamentary elections, there is possibility that the opening of the new legislature may be delayed.

The ruling camp will seek separate dialogue between No and the three Kims, in the event that they view unfavorably the participation by Yun in the planned four-way talk, DJP executives said.

But the individual contacts will not occur immediately because of the three Kims' rejection of closed-door deals with the President that tend to arouse public suspicion.

Kim Yun-hwan of the DJP insisted that it is contrary to pertinent laws to form special panels in the inaugural session of the Assembly to be called by the President.

The Constitution, he cited, provides that no agenda shall be tabled for a session called by the President other than issues specified by him. The opening session will be called by President No Tae-u for the election of House officers because lawmakers-elect, whose tenure begins with the Assembly opening, have no authority to call for the sitting themselves.

Kim also reasoned that there is no Assembly Steering Committee which could formally motion an opposition resolution to set up the five ad hoc bodies in the inaugural gathering.

The whips agreed Tuesday that parliamentary standing Committees including the Steering Committee should be organized in the extraordinary session, to be called within one week after the end of the inaugural assembly during which they will select only the speaker and two vice speakers.

Opposition floor leaders pointed to precedents that the Assembly has organized special committees for specific purposes during inaugural sessions. The three were Kim Won-ki of the Party for Peace and Democracy, Choe Hyong-u of the Reunification Democratic Party and Kim Yong-chae of the New Democratic Republican Party.

They noted Tuesday's agreement between Kim Yun-hwan and themselves that a special panel would be formed during the inaugural session to study a draft revision of the National Assembly Law.

Opposition To Discuss Special Amnesty Law
SK2005004788 Seoul THE KOREA TIMES in English
20 May 88 p 2

[Text] Chairmen of the human rights committees of the three opposition parties yesterday began to discuss enacting a special law on amnesty to seek the release of prisoners of conscience.

Their action followed an agreement among the leaders of their parties in a meeting Wednesday.

They confirmed their intention to enact the special law unless the government conducts the wholesale release of "political detainees" on the occasion of Buddha's birthday which falls on Monday.

Involved are Chon Sung-hyong of the Party for Peace and Democracy, Kang Sin-ok of the Reunification Democratic Party and Sin O-chol from the New Democratic Republican Party, all noted lawyers.

The three chairmen agreed to compile a unified list of political detainees to be forwarded to the ruling camp through their floor leaders.

Ruling party floor leader Kim Yun-whan requested his three opposition counterparts to produce a list of detainees convicted of political charges in their first formal talks Tuesday.

The largest opposition PPD announced an initial list of 546 political detainees and 88 political fugitives who are sought by the authorities.

The PPD floor leader said that there are an estimated 400 more detainees whose names are not available.

He added that the initial list of the political detainees was based on information reported by various human rights organizations.

Those political detainees include Kim Kun-tae, Chang Ki-pyo, Yi Tae-pok, Kim Hyon-chang and Mun Pu-sil.

Among them are 120 who were involved in labor unrest and some 100 arrested for their protest actions during the presidential and parliamentary elections.

Enactment Controversial

SK2005004988 Seoul THE KOREA TIMES in English
20 May 88 p 2

[Text] The opposition move to enact a special law to set free all political prisoners has stirred up a legal controversy as to whether it infringes upon judicial power.

Leaders of the three major opposition parties agreed on Wednesday that the opposition will enact a special law in the opposition-dominated new National Assembly with the effect of freeing all political prisoners.

The opposition warned that the special law will get the prisoners out of jails if the government do not set them all free in advance.

Article 79 of the new Constitution stipulates that matters pertaining to amnesty, commutation and restoration of rights shall be determined by law.

On the basis of the article in the basic code, the opposition lawmakers said the special law can be enacted with the consent of the majority of the lawmakers present.

However, judiciary officials said such a special law could be unconstitutional as it may affect the balance between the three branches of the government and it is feared it may influence pending cases.

The government and the ruling camp have kept silent on the opposition threat to enact a special law.

However, the special law can be vetoed by the Chief Executive. To override the veto, consent of two thirds of lawmakers present is necessary.

The opposition controls 166 seats of the 299-member legislature.

Although the special law may be killed by the President's veto power, it will still a strong political impact, observers said.

Vice Minister-level Officials Shuffled

SK2005004188 Seoul THE KOREA TIMES in English
20 May 88 p 1

[Text] The government yesterday conducted a large-scale shuffle involving 14 vice ministerial-level officials including governors of provincial administrations and the head of the National Police.

Many of the posts affected in the shakeup were filled by former and incumbent presidential secretaries.

Cho Chong-sok, director of the Seoul Metropolitan Police, was promoted to director general of the National Police and Kim Yong-chin, governor of Kangwon-do, was promoted to vice home minister.

An Sang-yong, director of Seoul city's construction center, became the mayor of Pusan City and Choe In-ki, assistant home minister, was reassigned as Kwangju mayor.

In the shuffle, six governors were replace. Min Tae-ku, assistant defense minister, was assigned to Chungchong-puk-do; Sim Tae-pyong, a presidential secretary, to Chungchongnam-do; Kang Hyon-uk, assistant economic planning minister for budget, to Chollapuk-do; and Kim Sang-cho, a presidential secretary, to Kyongsangpuk-do.

Yi Kun-po, former deputy governor of Cheju-do, was promoted to governor of the island province. Kim Tae-sung, deputy director of the Office of Supply. [OSROK], was promoted to director of the OSROK and Chungchongpuk-do governor No Kon-il was reassigned as the head of the Office of Forestry.

Kyongsangpuk-do governor Yi Sang-pae was appointed as the director of the Office of Environment and Kim Ok-cho, a presidential secretary, as the deputy director of the Patriots and Veterans Affairs Agency.

Market Opening Talks With U.S. Planned

SK2005053088 Seoul YONHAP in English
0437 GMT 20 May 88

[Text] Seoul, May 20 (YONHAP)—Korea and the United States will resume trade talks in Washington early next month to discuss Korea's market opening for U.S. agricultural products, government sources said Friday.

During the talks, likely around June 5, the U.S. Trade Representative's office is expected to demand that Korea open its markets or increase imports of such high value-added farm products as oranges and grapes, lift or cut the current tariffs on such forestry products as lumber, and remove quotas and reduce tariffs on large-scale imports of beans and corn.

In response, the sources said, the Korean delegation, to comprise officials from the agriculture, forestry and fisheries ministry, is expected to make its position that it would accept the U.S. demand on a gradual basis, explaining that Korea needs time to meet U.S. demands.

Korea is also expected to respond positively to the U.S. demand for tariff cuts and an easing of quotas in an effort to increase imports, the sources added.

USSR Seeks To Open Seoul Trade Office
SK2005052488 Seoul YONHAP in English
0425 GMT 20 May 88

[Text] Seoul, May 20 (YONHAP)—The Soviet Union wants to set up a trade office in Seoul at an early date, a leading Soviet business leader has told a South Korean businessman.

I.E. Kanaev, vice president of the Soviet Chamber of Commerce and Industry, told Sin Tong-ki, a managing director of the Gold Star Electronics Co., that his country hopes to establish the trade office, possibly after the Seoul Olympics, and asked him to convey the Soviet intention to the Korean government, business sources said Friday. There are no diplomatic ties between Seoul and Moscow.

Kanaev made the remarks on May 16 during a visit to the Korean company's display booth at the exhibition hall of the Leningrad electronic show which opened May 12. The show ends Sunday.

Kanaev was also quoted as saying that a South Korean government official recently proposed that the two countries exchange trade representatives. Kanaev said the proposal was made during an international conference recently held in Japan, adding that the Soviet Union had not yet decided whether to accept it.

Yuriya Rainov, deputy electronic industry minister, said during his stop at the Gold Star booth earlier May 16 that the Soviet Union hopes to import Korean-made electronic goods, including microwave ovens, computers and office automation equipment, the sources said.

Other Soviet businessmen who visited the exhibition hall expressed their hope to buy such products as vacuum cleaner motors, some electronic motors, color picture tubes, video cameras and videotape recorders, the sources said.

The Soviets also hinted that they desire barter trade with South Korea as their country is short of foreign exchange reserves, the sources said.

Joint Ventures With PRC Said Planned
SK2005021188 Seoul YONHAP in English
0135 GMT 20 May 88

[Text] Tokyo, May 20 (YONHAP)—A senior Chinese foreign trade policymaker said Thursday that South Korea and China will set up three-nation joint-venture firms in China in the near future with Japan as the intermediary.

Huan Xiang, director of the State Council's Institute of International Studies, said the three-nation joint-venture firms may be established within one year on the Liadong and Shandong peninsulas which are close to South Korea.

It was the first official Chinese confirmation that China and South Korea are negotiating joint-venture investments.

Huan, who is attending the Pacific Economic Cooperation Conference (PECC) meeting in Osaka, Japan, said in an interview with Japan's KYODO NEWS SERVICE that China welcomes South Korea's investment in China.

He said South Korea can play a great role in China's economic modernization programs but the two countries need an intermediary like Japan because of the absence of diplomatic relations.

KYODO said, quoting informed sources, that the three nations are considering the machinery industry or light industry to produce textiles, garments and miscellaneous goods for the joint-venture investment projects.

The sources were also quoted as saying that South Korea has frequently proposed to China that Korean-Japanese joint-venture firms in South Korea be moved to China.

KYODO said China's recent action to expand its free economic zones to the northern parts of the country which face South Korea reflects China's expectation that South Korea and Japan will cooperate in its economic modernization programs.

KYODO added that Huan's disclosure of China's negotiations with South Korea for joint-venture investments are likely to have a substantial effect on North Korea.

South Korea and China, KYODO said, have been engaged in extensive indirect trade via Hong Kong which is presumed to have reached two billion to three billion U.S. dollars in 1987.

Government Announces New Banking Measures
SK2005100088 Seoul YONHAP in English
0947 GMT 20 May 88

[Text] Seoul, May 20 (YONHAP)—The government will liberalize banks' lending rates and introduce a prime rate system in the latter half of this year in an initial step for lifting its control over the domestic financing industries, the Finance Ministry officials said Friday.

The new move is part of the official plan for restructuring the nation's financial industry slated for 1988-1991, the officials explained. It, they added, includes a directive to liberalize completely the lending and saving rates of non-bank financing institutions in the second half of this year.

The ministry's draft plan was Friday submitted to the committee for readjusting the sixth economic development project, which is controlled by the Economic Planning Board, for its screening.

The government, however, will maintain the current savings rate system as for the banks for the time being, officials said.

The prime rate is a rate of interest applied by banks for their most creditworthy customers. The government is expected to encourage the commercial banks to take up the prime rates as standards in determining their own lending rates in an effort to prevent ill effects from occurring from the liberalization measure.

Under the government plan, three financing institutions including another small- and medium-sized industry bank and a mutual fund are expected to be set up in the near future. The government will also allow the establishment of other financing institutions including banks.

The government, however, will prohibit business conglomerates from investing in newly established financing institutions while imposing a new limit on loans to business groups which are currently major shareholders of financing institutions.

The government is also expected to open the domestic capital market gradually, by allowing limited direct investment by foreigners in the market.

Malaysia

Minister Rules Out 'Snap General Election'

BK1905120588 Kuala Lumpur BERNAMA in English
1021 GMT 19 May 88

[Text] Johor Baharu, May 19 (BERNAMA) — The government will not call for a snap general election, Information Minister Mohamed Rahmat said Thursday.

Such a move was not necessary as there was no erosion in the confidence and support of the people towards the government, he said.

He told this to reporters at a Hari Raya [end of Ramadan festival] open house he hosted at his residence in Kampung Pasir, Tampoi, in the southern state of Johore.

Mohamed, who is UMNO Baru (New UMNO) secretary-general, said the people's mandate to the government during the last general election in 1986 was "very clear."

He said the nation's economic position was improving following the increase in the prices of primary commodities and that the people were beginning to think of a better future.

Mohamed said the people knew that the problems faced by the country in the past were a result of the economic recession.

Vietnam in Cambodia Like USSR in Afghanistan

BK1905103588 Kuala Lumpur International Service
in English 0800 GMT 19 May 88

[Station Commentary]

[Text] The media all over the world has been turning its attention this week to the long-awaited start of the Soviet troop withdrawal from Afghanistan. To a certain extent, publicity has also been given to the talks intended to work out the details of a Cuban withdrawal from Angola. The world was happy to see the new Kremlin decision makers changing their policy and disengaging Soviet's involvement in distant places.

However, for the member countries of ASEAN the big question is, when can we expect to see the Vietnamese forces moving out of Kampuchea. Everybody will agree with the queries and comments, posed by a leading Beijing newspaper about the geopolitical situation in the Indochina region. The paper was stating a well-known fact namely, the Vietnamese military presence in Kampuchea is possible only because of massive Soviet assistance. Vietnam is already beginning to look more and more pathetic as it clings to a very orthodox and outmoded style of Marxism. It will slip into a more backward state if it does not decide without further delay to copy the Soviet example of perestroika or dynamic

economic development. In fact, both China and the Soviet Union are now ardently striving to regain what they lost with following unrealistic goals in the past.

During the past few days, when reports are reaching the outside world about widespread food shortages in some parts of Vietnam, the situation is so serious that Hanoi has asked for aid. The world will of course come to the assistance of the Vietnamese people on humanitarian grounds. Nobody will deny a suffering people fundamental requisites such as food or medicine. But at the same time, the Vietnamese leaders should think seriously about their country's greatest needs and how far they are addressing their efforts to improving the basic living standard. If the food shortage were to get worse, we can expect many more Vietnamese to leave their country in search of new homes. The exodus of more refugees will bring new and worse problems for countries such as Malaysia and Thailand. Hanoi's leaders should see the writing on the wall. Their country is beginning to pay a very heavy price for not according top priority to economic reconstruction. They should, at this critical juncture in their country's history, show that they are capable of the same kind of statemanship that Mr Gorbachev displayed when he launched the new economic policy of his country.

ASEAN has been waiting for many years to welcome Vietnam to the political mainstream of Southeast Asia. The Soviet Union, for its part, must persuade Vietnam to take a different road, and concentrate on economic development and peaceful coexistence with all its neighbors.

Indonesia

Navy Ship Captures 2 Foreign Fishing Vessels

BK1105154588 Jakarta International Service
in English 0800 GMT 11 May 88

[Text] An Indonesian naval ship, "Sambu" of the Eastern Fleet of the Indonesian Navy, seized two foreign fishing vessels "Ambassador 6th" and "Ambassador 15th" recently, because both vessels were caught in the very act of fishing without permission in Indonesia's Exclusive Economic Zone waters in [name indistinct], in East Kalimantan.

Both fishing vessels were delivered by "Sambu" to the Tarakan Naval Station. Both vessels and crew are at present detained at Tarakan Naval Station waiting for their trial.

Alatas Hopes for Afghanistan Impact on Cambodia

BK1905123888 Jakarta Domestic Service
in Indonesian 1200 GMT 19 May 88

[Text] Foreign Minister Ali Alatas has expressed the hope that the solution of the big conflict in Afghanistan will bring about a positive impact on the efforts to solve the Cambodia problem.

Speaking to newsmen in Jakarta today, Ali Alatas said substantial differences between the Afghan and Cambodian problems require completely different approaches to the two issues. He added that despite what is happening in Afghanistan, Indonesia and other ASEAN countries will continue to exert political efforts to solve the Cambodian problem.

Suharto Inaugurates National Awakening Day Fete
*BK2005080788 Jakarta Domestic Service
in Indonesian 0600 GMT 20 May 88*

[Text] The 80th National Awakening Day anniversary which was observed this morning at Senayan Conference Hall in Jakarta was attended by President Suharto, Madam Tien Suharto, Vice President Sudharmono, ministers of the 5th Parliamentary Development Cabinet, other high-ranking government officials, and ambassadors of friendly nations.

The climax of the National Awakening Day anniversary included recounts of the Indonesian people's historical struggles toward achieving independence and a musical performance entitled *The Echoing Struggles of National Youths* presented by 600 participants.

Information Minister Harmoko, in his speech, said one of the main objectives of observing the historical day is to enhance greater determination toward establishing a brighter future for the nation by emulating the fine examples of the past struggles.

Another main objective of observing the National Awakening Day is specifically aimed at creating greater awareness among the younger generation by calling on them to renew their determination and self-confidence toward the continuity of the fine examples of struggles by their fore-runners.

Laos

Radio Discusses People's Council Elections
*BK2005051588 Vientiane Domestic Service in Lao
1200 GMT 18 May 88*

[Feature: "What Are the Reasons for Holding the Elections and What Are Their Objectives?"]

[Text] Respected listeners, on 2 December 1975, the revolutionary administrations were established throughout the country. This is considered the great fruit of the protracted struggle of our Lao people under the LPRP's leadership. Since then, the administrative apparatuses have worthily fulfilled and systematically consolidated their role and responsibilities. However, they cannot deny the fact that they have also had shortcomings in performing and consolidating those roles and responsibilities. The process of national defense and socialist construction has been daily changed ever more profoundly to an ever higher level in accordance with the

basic principle. It would not be appropriate if the capabilities of the apparatuses remained at the same level, because by maintaining the same old level of capabilities, the apparatuses could obstruct the process of advancement to the achievement of new, ever higher qualities of the nation.

For this reason, the fourth party congress, in particular the fifth plenary session of the fourth party Central Committee, has put forth new, appropriate steps of advancement. It has put forth a guideline for the new changes in the viewpoints and economic management mechanism. It has set methods of implementation which are suitable for practices in the initial stage of the transition period in order to exploit, promote, and expand the potentialities of the country and to build a new hope for a beautiful future for our Lao nation.

Seeing the objective necessity to consolidate the administrative apparatuses, the LPRP Central Committee Political Bureau has thus made a decision to have the elections of the people's councils at various levels be completely organized throughout the country by the end of this year. The main purposes of the elections are as follows:

To promote and expand the socialist democracy: Through the elections, the people will have an opportunity to elect their representatives — representatives whom they like, they trust, and they think can present ideas and views and can act on their behalf to safeguard their interests. The elections will result in consolidating the state administration, because the candidates to run in the elections will have considerably high knowledge and capabilities and thus be suitable for their posts to perform tasks in the time of changes to new, better qualities.

The councils at various levels to be established following the elections will be in new, better condition with higher efficiency. The new councils will implement a better working system to serve their role and responsibilities as representatives of the people and to promote and expand socialist democracy in a more efficient manner. The elections on this occasion are also considered the contribution made by the entire people to the state and social management.

Following the elections, the party, state, and mass organizations will certainly be consolidated, because after the completion of the elections, the people's councils will set up the administrations at their own levels and will then supervise and control the functioning of the administrations and of other mass organizations. In brief, it can be said that following the elections of the people's councils at various levels, the whole state and social management system will be further consolidated and strengthened and will become an ever stronger tool to successfully serve the rights and benefits of the people in the new period on the path of leading the nation to prosperity and happiness.

Philippines

Senator Alleges Increased CIA Activity HK1805103188 Manila MANILA BULLETIN in English 18 May 88 p 20

[Text] Sen. Aquilino Pimentel Jr. asked yesterday why the United States government has increased the budget of the Central Intelligence Agency (CIA) in the Philippines and added dozens of agents to its staff of 115 in Manila.

Pimentel said it befuddled him why a supposedly friendly country which proclaims "special relations" with the Philippines should find it necessary to field so many spies here.

The remarks were made during the senator's closing speech favoring the passage of the bill banning nuclear weapons in the country on the Senate floor.

On the dangers of destabilization, Pimentel noted that the Aug. 28 coup took place eight days after the ban on nuclear weapons bills were filed.

There may or may not have been any connection between the bills and the coup attempt, but the fact is the coup leader, Col. Gregorio Honasan, delivered some "Messianic" messages about the need to eliminate so-called leftists from the government, he said.

The leftist label would cover all those who would disagree with the U.S. policy in the country, including those who advocate the banning of nuclear weapons or the removal of the U.S. bases, regardless of whether or not they confine their activities to the peaceful pursuit of the ideal of a truly free and independent Philippines," Pimentel added.

Solon Criticizes Ramos' Support for Bases HK2005071388 Manila BUSINESS WORLD in English 20 May 88 p 8

[Text] Defense Secretary Fidel Ramos' statement that he favors the stay of U.S. bases beyond 1992 weakens and undermines the bargaining position of the Philippine panel, Rep. Gregorio Andolana of Cotabato said yesterday.

The solon, speaking on behalf of his fellow solons who share the same view, was reacting to the assurance reportedly given by Mr. Ramos that he sees value in maintaining the bases, before members of the U.S. Senate foreign relations committee. The statement, made during the fourth day of the defense secretary's U.S. visit, contradicted Foreign Affairs Secretary Raul Manglapus' hard stance that "if the U.S. cannot afford the bases, then they can pack up and go."

The Cotabato lawmaker said the House is disturbed by such reports and that clarification has to be made. He noted that it has "far-reaching effects" on the bid of Government to wring the best deal from the Americans in the ongoing bases talks.

"It (the statement) mocks congressional initiatives to find alternative non-military uses for Subic and Clark, subverts Senate efforts to enforce the nuclear-arms free Constitutional provision, and most importantly, insults millions of Filipinos who want the bases dismantled," he said.

Rep. Andolana charged that Mr. Ramos is "parading" himself for Washington benediction as the man to support in the 1992 presidential polls. He noted that the defense secretary is the first Cabinet member who has endorsed the bases—"something being avoided by Government officials for this will weaken the Manglapus position."

"It is so disgusting to see a defense chief of a sovereign nation parroting the American line that bases are indispensable, while his compatriots at home are busy working for a bases-free country," he stressed.

Meanwhile, in what appears to be a footnote to the Cabinet-House word war, a bill providing for line-item and abolishing the present lump-sum method of budgeting was filed yesterday in the House of Representatives.

Speaker Pro Tempore Antonio Cuenco, author of House Bill 10261 effecting the measure, claimed the current system promotes secrecy in running the Government "which should not be the case in this present Government."

The bill apparently defied the position taken by Budget Undersecretary Benjamin Diokno who earlier maintained that lump-sum budgeting gives elbow-room and flexibility to different Government agencies in allocating the money intended for them. He said there are not more countries in the world which practise line budgeting.

Speaker Ramon Mitra also asserted earlier that "from now on, the budget will be scrutinized more." He said each item should be accounted for.

Other Senators Refute Claim

HK2005100788 Manila Manila Broadcasting Company
DZRH in Tagalog 0800 GMT 20 May 88

[Text] Senators Aquilino Nene Pimentel Jr. and Ernesto Maceda criticized Defense Secretary Fidel Ramos' statement in Washington, DC, claiming that the U.S. military bases are vital to the country's security. For the details here is Cesar Chavez of Mobile 9:

[Begin recording] [Chavez] Senator Aquilino Pimentel Jr. refutes Defense Secretary Ramos' statement in Washington, DC, that America's military bases in Subic and Clark are vital to the security of the country.

[Pimentel in English] That is pre-empting the government's position at a time when we are negotiating a review of the terms of the military bases. And secondly, at a time when we are looking forward to defining our stand relative to the bases in 1991.

[Chavez] Senator Ernesto Maceda, chairman of the Senate's defense committee, also expressed similar opinion on the matter.

[Maceda in English] If with this statement, the president or the press secretary does not issue any statement today disowning that statement of the secretary of National Defense, the clear implication is that the president has exercised one option and it is now being pushed by her secretary of National Defense.

[Chavez] This is Cesar Chavez, DZRH news, the Senate. [end recording]

Labor Group Calls For Removal of Bases
HK2005065988 Manila BUSINESS STAR in English
20 May 88 p 24

[Text] One of the two largest labor groups in the country, the conservative Trade Union Congress of the Philippines [TUCP], made a complete turn around yesterday as it announced that it is urging the government to abrogate the Military Bases Agreement [MBA].

The TUCP made the statement at a press conference that it called primarily to deny reports of rift in the top leadership of the organization.

The statement by Senator Ernesto Herrera, TUCP secretary general and TUCP President Democrito Mendoza said the labor group wants the government to remove the US military bases in the Philippines, but "before such termination, the government should come up with concrete alternative to prevent the economic dislocation of the Filipino workers in the bases who are our members."

The TUCP had in the past actively called for the retention of the bases in the Philippines.

Herrera said there are "no ifs and buts" regarding the termination of the MBA. He said, the bases must be dismantled by 1991. He added that the TUCP will only be respected by the world community if it finishes for the dismantling of the bases. Herrera first announced his turn around from the old TUCP stand on the bases in a privileged speech before the Senate.

No Rifts [subhead]

During the press conference, the TUCP declared that there is no rift in the leadership of the organization. The TUCP said that such reports of a rift might have been "blown out of proportion" and "distorted" by "left-wing labor groups." The TUCP said this move of the left-wing labor groups is intended to erode the TUCP's credibility and gain control of the entire labor movement.

The TUCP also demanded that price controls on basic commodities should be established due to reports that prices of prime commodities have risen since Labor day.

The TUCP also reiterated its stand for a further rollback of fuel prices to their August 1987 level.

Opposition Criticizes Aquino Position on Bases
HK2005125388 Quezon City GMA 7 Radio-Television
Arts Network in Tagalog 1030 GMT 20 May 88

[Text] The opposition has criticized the government for its unclear stand regarding the U.S. military bases issue. For the details here is Pamela Manalo.

[Begin recording] [Manalo] This was stated by GAD [Grand Alliance for Democracy] Chairman Francisco Tatad and GAD Secretary General Wilson Gamboa. According to Tatad, Defense Secretary Fidel Ramos and Foreign Secretary Raul Manglapus must have a uniform statement on the bases issue to avoid additional confusion among the citizens.

[Tatad in English] Now, when you have two alter egos of the president and making conflicting statements, the result is confusion. And as I was saying, earlier, we are much too confused already. We don't need any further confusion.

[Manalo] However, GAD has expressed support for the government's action to investigate the alleged involvement of the British Broadcasting Corporation with the Guinobatan ambush. But Tatad warned that some persons may only be using this issue to suppress press freedom, especially the foreign press.

Tatad also said that GAD has written to President Ronald Reagan asking him to stop meddling with the issue on Marcos' return to the country. The group has also reminded Mrs. Aquino that ruling barangay officials, especially the duly elected ones, should not be replaced in preparation to the coming barangay elections.

This is Pamela Manalo reporting. [end recording]

Disclosure of Bases Talks Issues Urged

HK2005125588 *Quezon City GMA 7 Radio-Television Arts Network in Tagalog 1030 GMT 20 May 88*

[Text] A Philippine panel representative to the Republic of the Philippines-U.S. Military Bases Agreement review has called for the full disclosure of all issues concerning the ongoing talks on the bases between the 2 countries.

In a public forum at the Club Filipino, Ambassador Nicanor Jimenez said that the public needs adequate information on the bases agreement to help them decide on the issue. He claims that at present, the ordinary citizen does not fully understand the issues relevant to the agreement and its implications.

U.S. Said Seeking To 'Influence' Drug Policy

BK2005064188 *Manila PNA in English 0557 GMT 20 May 88*

[Text] Manila May 20 (PNA/OANA) — Two American senators were accused Friday of trying to influence the Philippine Government into favoring multinational drug companies.

In a press statement, Senator Joseph Estrada identified the two American lawmakers as Senators Richard Lugar and Alan Cranston, both frequent visitors in Manila.

Estrada said he has a copy of a Feb. 2 Letter sent by Lugar and Cranston to President Corazon Aquino requesting her to "carefully look at plans" of the Health Department in implementing the nation's drug policy.

Under the new policy, the Philippines plans to become self-reliant in the drug industry which is dominated at present by American multinational firms.

If successfully pursued, it would adversely affect the American drug industry.

Although the letter was not direct, Estrada said, "the US officials were virtually dictating our government on how to conduct its affairs."

The letter, he said, also amounted to telling the Aquino government to come up with a national drug policy attuned to the interests of American multinational drug firms in the Philippines.

Estrada, vice chairman of the Senate's Committee on Health, said he would oppose any American interference which seeks only to protect foreign interests to the detriment of the well-being of the Filipino masses."

Government Provides Assurances

HK2005090788 *Manila Radio Veritas in Tagalog 0700 GMT 20 May 88*

[Text] Here is Gabby Salcedo from Malacanang:

[Begin recording] The government made assurances that the national interest will prevail over a bill on National Drug Policy. Executive Secretary Macaraig provided assurances in reaction to reports of U.S. intervention in the issue. He stressed that the primary aim of the resolution is for the citizens to have access to and be able to afford the medicines they need.

In a privilege speech, Senator Joseph Estrada criticized the letter sent to President Aquino by Senators Richard Lugar and Allan Cranston. These American senators expressed concern over the National Drug Policy resolution because the Congress can question U.S. pharmaceutical investments and this can affect further investments. Estrada said the letter is an indirect warning and intervention from Washington regarding the proposed National Drug Policy. Secretary Macaraig, however, provided assurances on the issue:

[Begin recording in English] [Macaraig] Of course R.P.'s [Republic of the Philippines] interest is paramount to the interest of these U.S. pharmaceuticals. [passage indistinct]

[Reporter] [question indistinct]

[Macaraig] We will take up our own National Drug Policy.

[Reporter] [question indistinct]

[Macaraig] As I said, we will have to look out for own interest and our own interest is to make drugs available to our people at a lower cost. [passages indistinct] [end recording]

Column Urges Attention to Other Foreigners

HK2005072988 *Manila PHILIPPINE DAILY GLOBE in English 20 May 88 p 4*

["Turn of Events" column by Francisco S. Tatad: "The Greater Danger"]

[Text] The military says the CPP [Communist Party of the Philippines]-NPA-NDF received 931 foreign visitors last year. If that is correct, we must credit the communists for running an efficient and tightly controlled "tourism program." The number of visitors is only a small portion of the country's drastically reduced arrivals, but given the rugged guerrilla terrain, it is nothing less than incredible. In a normally well-policed situation, contact between any number of foreigners and the communist guerrillas should have triggered the alarm. But it didn't. The number soared to 931 before it finally did, and only because a TV network was crass enough to film an actual NPA ambush.

What this shows is that contrary to the official claim, faithfully echoed by foreign political officers who seem to get their briefings from the pro-Aquino newspapers, and most recently by Defense Secretary Fidel Ramos

who may have unhappily convinced U.S. officials in Washington that the communist threat is receding, the communists appear to control more territory and political space than anyone has so far officially conceded or claimed. They are not about to bow out of existence just because the government has captured some of their Maoist leaders.

What it shows indeed is that the CPP-NPA-NDF has maintained an open corridor from the city where foreign visitors deplane to the countryside where they are given the chance to share the life of the rebels. Like the U.S. forces on the military bases, they too seem to enjoy "the right of unhampered operations."

The number of communist-hosted foreign visitors is not considerably much smaller than the number of visitors officially received by the President in Malacanang last year. At least, the number of foreign journalists—103—who were received and given individual attention by the CPP-NPA-NDF is certainly much bigger than the number of journalists who had been privileged to gaze at Mrs Aquino's closeup and take down her unrehearsed quotes in 1987.

And, what's important, they represent as wide a range of nationalities as that of those who met with government officials. According to the military count: 66 Australians, 69 Dutchmen, 50 West Germans, 31 Frenchmen, 49 Canadians, 29 British nationals, 18 Hong Kong Chinese, 25 Italians, 17 Belgians, 12 Indians, 11 Swedes, four Thais, eight New Zealanders, one Irishman, five Austrians, three Taiwanese, five Danes, four Indonesians, four Singaporeans, one Norse, three Bangladeshis, two Spaniards, one Greek, one Pakistani, and one Pole. Obviously not listed are the Russians, the Vietnamese, the Nicaraguans and the El Salvadorans, said to have been in active contact with the communists since Mrs Aquino came to power.

What now disturbs the authorities is the report that of the foreign journalists that visited the rebels, one group paid for the February 27 ambush in Guinobatan, Albay in which Scout Rangers company commander 1st Lt Felix Brawner III and 11 men under him were killed. This has raised questions about the activities of all, not just some, foreign journalists covering the insurgency war. These in turn have raised complaints of a witch hunt.

Any such illegitimate activity of foreign journalists is bound to hurt our national interest. But however damaging, it is not necessarily much more damaging than the illegal activity of foreign support groups, funding agencies, church groups, political parties and government organizations which the military says have been supporting the rebels. The involvement of foreign governments usually means enormous moral and material support for the communists. The involvement of foundations and funding agencies, mostly from Europe as now confirmed in documents, is not less harmful than that of foreign

governments. In fact, these are the regular conduits of political parties and governments. And the involvement of church groups, mostly from Latin America as also now confirmed in documents, shows a vigorous effort to replicate the success of the Nicaraguan Marxist-oriented "theology of liberation" which turned priests and religious into Sandinists.

Clearly, concern about foreign journalists paying guerrillas to ambush government troops is commendable. But there are other foreign persons infinitely more dangerous than journalists. They deserve urgent attention—and sanctions from government.

Aquino, Spain's Gonzalez Start Formal Talks
HK2005051588 Baguio City Mountain Province
Broadcasting Company in English 0330 GMT
20 May 88

[Text] President Aquino and Spanish President [title as heard] Felipe Gonzalez will begin official talks today to improve trade ties between Manila and Madrid. Gonzalez arrived yesterday for a 4-day official visit.

According to Foreign Affairs Secretary Raul Manglapus, the two will also discuss American military bases in their respective territories and the transition from authoritarian rule to democracy.

The meeting between the two leaders would be held at Malacanang music room. The first two private meetings between the two leaders started this morning after Gonzalez laid a wreath at the monument of Jose Rizal, who was executed by Spanish colonial forces in 1896.

Discuss Trade Ties
HK2005045388 Quezon City Radyo ng Bayan
in Tagalog 0400 20 May 88

[Text] Trade ties between the Philippines and Spain are expected to be strengthened. This assurance was firmly stated by the visiting prime minister of Spain, Felipe Gonzalez, during one-on-one talks with President Cory this morning at Malacanang. Gonzalez promised that the 2 countries' 2-way trade balance would be a top priority. Details from Sel Baisa:

[Begin recording] BBS [Bureau of Broadcast Services] News learned that the Philippines has imported \$17 million worth of products from Spain, while the Philippines exported \$30.77 worth of various products to Spain. This showed the trade balance to be in favor of the Philippines. Some of the products exported to Spain are tobacco, lumber, shoes, and pineapple products. It was not stated how much the closer 2-way trade relations would be worth.

Earlier, President Gonzalez laid a wreath at the monument of Dr Jose Rizal at the Luneta. Tonight at 8 pm President Aquino will give a banquet for President Gonzales at Malacanang. [end recording]

Gonzalez Accorded 'Warm Welcome' by Congress
*BK2005115088 Quezon City RPN 9 Television
in English 1000 GMT 20 May 88*

[Excerpt] Spanish President Felipe Gonzalez had a busy day today, his second day of a 4-day official visit to the Philippines. Edwin Fargus reports:

[Begin recording] President Felipe Gonzalez started the day by laying a wreath at Rizal Monument. Gonzalez was escorted to the Rizal front by Armed Forces Chief General Renato de Villa, Justice Secretary Sedfrey Ordoñez, and Manila Mayor Gemeliano Lopez, Jr.

From Rizal Park, the Spanish president and his party proceeded to Malacanang for a courtesy call and conference with President Aquino on ways to further expand Philippines-Spanish relations. Press secretary Teodoro Benigno said there was a kind of chemistry between the two leaders in their 55-minute one-on-one meeting, adding that they got to like each other. From Malacanang, Gonzalez motored to the Old Congress where he was accorded a warm welcome by the leaders of both houses of Congress. [end recording] [Passage omitted]

Panel Limits Multinational Corporations
*HK2005070788 Manila BUSINESS STAR in English
20 May 88 pp 1, 13*

[By Sem H. Cordial and Raissa Espinosa-Robles]

[Text] Leases of multinational corporations [MNC] covering public lands in excess of 1,024 hectares will be deemed terminated and the lands distributed to farmers within the first three years of the 10-year implementation period of the Comprehensive Agrarian Reform Program (CARP).

This was agreed upon yesterday by the bicameral conference committee reconciling the Senate and House of Representatives CARP bills.

Other agreements forged yesterday were the following:

MNCs will be allowed to retain 1,024 hectares up to the 10th year of the implementation period, after which the land will be distributed to farmers. Meanwhile, the workers may share in the company's profits.

Private agricultural lands leased to MNCs will also be distributed to farmers after the 10th year of CARP.

The committee also "refined" the landowner retention formula. Landowners were granted the added privilege of choosing which five hectares of his landholding he will retain. The committee, on Monday, pegged the landowner's retention limit to five hectares.

Senator Heherson Alvarez head of the Senate panel, said if the landowner chooses a tenanted area, "the right of the occupant tiller will be respected."

This means, Alvarez explained, "the occupant tiller can choose to remain as a leaseholder, or exercise his right as a beneficiary in some other area." The tenant has to decide between the two options in one year, Alvarez added.

In a joint briefing with Alvarez after the committee's sixth meeting, house panel chief, Rep. Ronaldo Zamora, (Independent, San Juan-Mandaluyong), said they have agreed to distribute lands of public domain which are leased to MNCs within a period of three years. He added that both panels are in substantial agreement on practically every major point.

Under the proposed scheme, the new owners, or former beneficiaries, will renegotiate new lease contracts with the multinational corporations. The multinational corporations will be allowed to retain the remaining 1,024 hectares under the existing leases but only until 1992.

Senator Rene Saguisag, the main proponent of this idea over at the Senate, said "the idea of terminating immediately the leases beyond 1,024 hectares came from them (the House conference committee members). We are virtually speaking with one voice."

Saguisag said the farmer's lot would be improved by the CARP provisions. Besides being the new landowners who will earn from the rent, they will continue on as employees of the corporation under a production sharing scheme. The House members want them to receive 2.5 percent of the company's gross earnings while the Senate members want 5 percent. A compromise is likely to be a percentage in between.

"We are prepared to be reasonable," Saguisag said. "We want an orderly transfer. We want to do business with them (the multinational corporations) that is fair and profitable for everybody."

Alvarez explained that for MNC leaseholdings "beyond 1,024 hectares, the lease agreement ceases from the time the agrarian reform law is implemented. However, those within the 1,024 hectare limit will be respected up to 1992." After 1992, these agreements will have to be negotiated with the appropriate government agencies under better terms, Alvarez added.

Zamora said they want to "send signals that in our opinion these leases are onerous and will have to be renegotiated."

These lands will be distributed to the workers after 10 years, Alvarez said.

Zamora said workers to be affected by this provision have "the choice of whether to continue under present arrangements or distribute the land completely under their discretion."

Zamora disclosed that "so many" have indicated their preference through "telegrams, letters, and actual conversations with us" for the former.

Saguisag, a committee member, said that for corporate lands whose breakup is not economically feasible, arrangements will have to be made to facilitate collective ownership by the worker-beneficiaries. The committee has tasked the government to facilitate collective distribution, possibly to organized cooperatives and associations.

"One criterion of our bill is that you don't break up landholding if you will lose productivity," Saguisag said. "There will never be any diminution in benefits because of this law."

Zamora, for his part, said "we want to make sure that productivity is maintained."

The legislators have had to balance their nationalist sentiments with the reality that multinational agribusiness firms are among the country's biggest employers. The pineapple industry alone claims 19,046 full-time employees and nearly six times that number of people depending on it for their livelihood.

In a position paper presented to Alvarez last year, the pineapple industry asked that existing lease contracts be allowed to run their full term. This is constitutionally guaranteed, they claimed.

However, Saguisag and other legislators said existing contracts covering public lands beyond 1,024 hectares are actually violating the constitutions of 1935, 1972, 1976 and 1987. Dole Philippines Inc. leases around 10,000 hectares from the government-owned National Development Company (NDC). Philippping Packing Corp. leases over 8,000 hectares also from NDC, Alvarez said.

The pineapple industry recommendation calls on Congress to keep the NDC-owned lands intact and sold to corporations, the stocks of which would be owned by the landworkers and employees. This new corporation will then negotiate with the multinational corporations new lease contracts. This indicates that the industry is not averse to dealing with thier employees collectively as the new lessors. However, the industry did not anticipate the legislators' proposal for the workers to share in the profits. Legislators expect the industry to complain over the profit-sharing scheme but, nevertheless, they want to include it as part of CARP.

On Monday the committee will round up discussion on the priorities and start talks on just compensation.

Malacanang Denies Surveillance of Newsmen
HK2005070588 Manila MANILA BULLETIN in English 20 May 88 pp 1, 19

[by Fred M. Lobo]

[Text] Malacanang said yesterday that no surveillance will be conducted on newsmen exercising their profession in the country.

Likewise, the Palace denied reports that top military officials have implicated the British Broadcasting Corporation (BBC) in a Bicol ambush staged by the New People's Army last February. It said, however, that an inquiry on the matter is in order.

Press Secretary Teodoro Benigno told Malacanang newsmen that General Renato de Villa, Armed Forces chief of staff, has not ordered any surveillance on newsmen who have earlier covered activities or interviewed officials of the NPA and the Communist Party of the Philippines (CPP).

"General Villa denies that any order has been given to anybody to exercise any surveillance to any member of media," Benigno said.

"There was a disclaimer that the military has ever been ordered to exercise a surveillance on local journalists," he added.

Earlier reports quoting military sources said surveillance would be conducted on more than 100 local and foreign newsmen who were listed in seized CPP-NPA documents as having made contacts, conducted interviews, or covered NPA operations or activities.

However, the National Press Club [NPC] led by its new president, Marcelo Lagmay of Balita, denounced such military move the other night during the induction of NPC's new set of officers for 1988-89.

Benigno said that both De Villa and presidential military affairs adviser Jose Magno "denied having implicated the BBC in any of the stories that have appeared in the newspapers or in the media."

"There is a disclaimer that they ever mentioned that BBC was ever involved in any such coverage of NPA ambush," Benigno said.

Likewise, he said that inquires which he made among foreign journalists showed that "there is no shard of truth on it."

He also pointed out that the BBC claimed that it was possible that free-lance journalists may have contacted the NPA and succeeded in their request for coverage by posing as BBC journalists.

In view of this, Benigno said that an inquiry into the matter should be continued "to ferret out the truth."

Meanwhile, Benigno said that Congressman Rodolfo Albano "is perfectly free to do what he thinks he ought to do" on his reported threat to file impeachment proceedings against President Aquino for signing the controversial Manila International Container Port Terminal (MICT) contract the other day.

Senate Warns Military

BK2005062588 Manila PNA in English 0452 GMT
20 May 88

[Text] Manila, May 20 (PNA/OANA) — The Philippine Senate warned Friday the military against waging a witch-hunt among Filipino and foreign journalists suspected of aiding communist guerrillas.

"Concentrate on fighting the New People's Army and forget about threatening newsmen," Senator Ernesto Maceda, Defense Committee chairman, said in a privilege speech.

The senator was reacting to threats from the military that it would arrest and prosecute any journalist found collaborating with the New People's Army (NPA), the armed wing of the banned Communist Party of the Philippines.

The threats followed military reports that a British Broadcasting Corp. (BBC) television crew paid some 30,000 US dollars to NPA guerrillas in Bicol region to ambush a military convoy last month.

The ambush killed at least 12 army soldiers, including a son of a ranking general in the Armed Forces of the Philippines (AFP).

The military has placed under surveillance some 200 local and foreign newsmen.

"I'd like to remind the military that if it did its job well, there would be no rebel commanders to interview and no ambusher to film," Maceda said.

He added the military is not doing itself any good by inviting charges of witch-hunting.

"But if General (Renato) de Villa has any evidence in his possession, come out with it now and let the chip fall where it may," he pointed out. De Villa is the Chief of Staff of the 250,000 strong AFP.

He added: "I don't want the Senate Defense Committee to be used as a springboard for what may be purely a psywar operation."

Military Says BBC Not Involved in Ambush
HK2005071988 Manila THE MANILA CHRONICLE
in English 20 May 88 pp 1, 8

[By Malou Mangahas and Manny Mogato]

[Text] The defense establishment appeared anxious yesterday to put the British Broadcasting Corp (BBC) case behind it and get on to less sticky matters.

Both acting Defense Undersecretary Fortunato U. Abat and Gen Renato de Villa, Armed Forces Chief of Staff, cleared the British network of any involvement in a rebel ambush in Albay last Feb 27, which resulted in the death of 11 soldiers, including 1st Lt Felix Brawner III.

"As far as the Brawner ambush is concerned, they (BBC) are not liable," Abat said.

De Villa broke his silence on the controversy by issuing two disclaimers.

He said the military had never implicated the BBC to the ambush.

The Armed Forces chief also denied that the military had issued any order to place certain members of media, whether foreign or local, under surveillance.

Military allegations of media involvement with the rebel New People's Army have aroused fears of a witchhunt among journalists.

Both the National Press Club and the Foreign Correspondents Association of the Philippines have registered their protests.

Press Secretary Teodoro Benigno said De Villa made the disclaimers in a telephone conversation with Maj Gen Jose Magno (ret), presidential consultant on military affairs.

Magno briefed Benigno on the phone conversation, and Benigno, in turn, gave a press briefing.

"I'm just quoting General Magno," Benigno said. "There is a disclaimer that they ever mentioned that the BBC was ever involved in any such coverage of the NPA ambush. There is a disclaimer that the military has ever been ordered to exercise surveillance on local journalists."

Abat said that letters sent by the BBC requesting permission for a news coverage of rebel patrols was not enough to link the BBC to the ambush.

The BBC letter, supposedly the military's "evidence" against the British government-subsidized network, was dated Jan 26, 1987, or during the 60-day ceasefire between Government and the National Democratic Front.

Benigno could not say what the AFP command planned to do with the military officers who had implicated the BBC in the alleged "ambush for a fee" or the claim of Brig Gen Alexander Aguirre, Capcom chief, that over 100 Filipino and foreign journalist had contacts with the NPA.

"I never answer questions like that," Benigno said.

Magno proposed earlier that President Aquino create an inter-agency committee to study the "ramifications" of the ambush.

Magno cautioned, however, against drawing "hasty conclusions" or blaming any particular media group "unless there was really hard or cold evidence."

Columnist Views 'Hamletting'

HK2005072188 Manila THE MANILA CHRONICLE
in English 20 May 88 pp 1, 8

["Analysis" column by Amando Doronila: "Hamletting of Media"]

[Text] The other day, the Bicol military command indicated that it did not issue any statement linking a British Broadcasting Corp. (BBC) crew to the Feb. 27 ambush by the New People's Army of a military team in Guinobatan, Albay. The officers presented to media Gemma Magalona, a guerrilla fighter who surrendered to the military last May 2.

Magalona said that four Caucasians—two men and two women—were with the guerrilla band that staged the ambush. However, she was not sure whether the foreigners were from the BBC or another news organization.

Earlier military statements had indicated that Magalona's testimony was the basis for forming the conclusion that foreign journalists had "instigated" or "financed" ambushes to gain news footage. Another source for the conclusion is the alleged evidence made up of letters from the BBC asking NPA facility to meet the guerrillas. These "evidences" also provided the bases for military allegations that at least 144 foreign and local journalists "may be also liaisoning" with the guerrillas.

Now that the Bicol command has clarified that there was no hard evidence linking the BBC or any foreign news organization to the ambush, we are left with the situation that (1) military leaders in Manila were making wild conclusions without evidence, and (2) some in the media were furiously shooting from the hips, calling for the blood of the "criminal" journalists, also without any evidence.

Brig. Gen. Alexander Aguirre, chief of the Capcom, went further to say that some of the journalists seen to have contacts with the NPA might be put under surveillance or summoned to give information about the guerrillas.

Now, we see how unfounded allegations coming from a military witness could lead to dangerous conclusions, including some segments of the media going on a rampage against "criminal" journalists on the basis of third-hand hearsay.

The disclosure by the military that it had found notes from the BBC and other media organizations seeking access to NPA areas does not tell us anything new. They write these notes or letters to make arrangements for the purpose of reporting what's happening on the insurgents' side of the guerrilla war. This is a legitimate journalistic function. This does not put the journalists on the side of the guerrillas.

Access to the other side is even more important for balance. As it is, information about the guerrilla war is lopsided—heavily in favor of the military. Most of the information about clashes comes from the military PIO [Public Information Office] whose statements cannot easily be checked for veracity or balance simply because the guerrillas are not easily accessible. Journalists do not know where to contact them right after reports of action break out.

The statement by Brig. Gen. Honesto Isleta, chief of the AFP [Armed Forces of the Philippines] civil relations service, that the military would not be responsible for any harm that may befall journalists who cover the insurgency "on the side of the rebels" is clearly intended to intimidate journalists from having any further contacts with the guerrillas.

Its implication, together with the warning of surveillance from General Aguirre, is that the military is, in effect, putting into practice a strategy of hamletting the media—domestic, as well as foreign—as an extension of the strategy of hamletting the rural population, to deny the guerrillas of their mass base.

The hamletting of the rural population is already under way. The relentless military offensives which keep the guerrillas on the run have, to a large extent, already detached significant rural areas away from the guerrillas. But the hamletting of the media to deny them access to the other side of the war is an entirely different thing.

It is different because, if this intimidation by the Armed Forces succeeds, the Filipino people and the rest of the world will have a one-sided picture of the conditions of insurgency in this country. It will be an unbalanced picture and will not portray the reality of the problem. It will lead to the monopoly by the military in the presentation of a complex problem. More fundamentally, it means an encroachment of the freedom of the press.

It would have been less difficult to accept these rules for coverage and access to sources of information if this strategy of hamletting the media were made in a polity with little patience for democracy.

But in a democratic polity like ours, hamletting of information is an unacceptable contravention of the principle of reasonable access to information sources. This democratic government must have to make a choice whether it accepts or rejects this strategy. What makes this strategy very dangerous is that it is based on assumptions that do not care about evidence as a basis for forming conclusions.

Media members themselves are muddling their own role by launching into media-bashing tirades based on unsubstantiated allegations and hearsay. They are not only bashing foreign journalists who they allege are criminals. They are bashing their own heads because of mindless—and jingoistic—perception of the problem.

Military Increases Reservists to 80,000
HK2005072788 Manila PHILIPPINE DAILY GLOBE
in English 20 May 88 p 2

[Text] Defense authorities have decided to increase the number of military reservists to be called to active duty from 45,000 to 80,000 this year.

Defense Undersecretary for reserve development and regional affairs Eduardo Ermita said that the mechanism for the call to active duty of the 80,000 reservists had been set and will be implemented once president Aquino approves the rules governing the Citizen's Armed Force Geographic Units [CAFGU].

The activation of CAFGU was earlier announced after the ratification of the Constitution. The Constitution prohibits the organization of paramilitary units like the Civilian Home Defense Forces.

Under the CAFGU concept, Ermita said, "active auxiliaries" will be formed under commissioned officers on active duty and non-commissioned officers in the regular force down to the platoon level.

This means that the CAFGU active auxiliary units will operate under the military units that have responsibility in their respective areas.

CAFGU members, Ermita said, will come from the reservists who volunteer to be active auxiliaries.

Unlike the CHDF members who receive a maximum of only P200 a month, Ermita said CAFGU volunteers will be given a daily subsistence allowance of P18.

In addition, CAFGU members will be provided with combat clothing and individual equipment, Ermita said.

Rebels Said Demanding 'Pledges' Payment
HK2005071788 Manila PHILIPPINE DAILY
INQUIRER in English 20 May 88 p 6

[By Danny Calleja]

[Text] Legazpi City—Rebels of the communist-led New People's Army in Bicol are now running after elected government officials who were not able to fulfill their "pledges" to them during the campaign period.

The officials are now receiving "demand letters for payment" from the NPA accompanied with threats to their lives if they would not "settle their accounts" immediately, according to Brig. Gen. Eduardo Tadiran, Bicol Constabulary commander.

"They are now subjects of NPA liquidation plans," Tadiran said.

Tadiran, quoting intelligence reports, said that an NPA team hit men under the command of a certain Ka [comrade] Redem is now in the urban centers of Albay conducting surveillance on their targets.

Amelia Villarin alias Ka Leah, a former NPA amazon who gave up to the military recently and confessed that she is a former member of the Sandatahang Yunit Pampropaganda [Syp-armed propaganda unit] of the Albay NPA command, told local newsmen here that 15 elected mayors and a congressman in Albay province and a defeated gubernatorial candidate in Sorsogon are among the NPA targets.

These officials owe the rebels some money and other favors promised during the campaign period in exchange for the "campaign pass" in the rebel-controlled areas, Villarin added.

Tadiran said the local officials are now coming to the military seeking for security.

"We have granted their requests," he said.

Aside from cash, these officials wanted by NPA have promised the rebels to work for the removal of military detachments in their respective areas but those were not fulfilled, according to Tadiran.

Manila Said NPA 'Favorite Hunting Ground'
HK2005072588 Manila PHILIPPINE DAILY GLOBE
in English 20 May 88 p 7

[BY Correspondent Alexander Magano]

[Text] San Juan and Pateros are two towns in Metro Manila where the Sparrow Unit of the New People's Army did not claim any victim from January 1, 1987 to May 10 this year, while Manila appears to be the favorite hunting ground of urban guerrillas where they operate with impunity.

According to statistics obtained from the Capital Region Command [CAPCOM] no killing in San Juan and Pateros was attributed to members of the Alex Boncayao brigade during the said period.

Manila, on the other hand, had the highest number of killings attributed to the NPA with 20 confirmed and 33 unconfirmed and 18 unconfirmed from January 1 through May 10 this year.

The Capcom explained that the Sparrows may have deliberately refrained from carrying out assassinations of government officials and police and military personnel in San Juan because of the presence of a communist safehouse there.

It was in San Juan where Rafael Baylosis, secretary general of the Communist Party of the Philippines; Romulo Kintanar, NPA chief; and three other top CPP [Communist Party of the Philippines]-NPA leaders were captured last March.

A Capcom report said: "Purposely, the CPP-NPA Sparrows avoided conducting their heinous activities in the aforementioned area to prevent possible military saturation operations that may possibly reveal the location of their UG (underground) houses."

Manila, had the highest number of victims of Sparrow assassinations, mostly policemen, in 1987. This accounted for about 60 percent of the total number of victims killed in Metro Manila last year.

Most of the incidents occurred in broad daylight, a distinguishing mark of a Sparrow hit.

2 Ramos Security Aides Killed in Ambush
HK2005085188 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 20 May 88

[Text] Two security aides of Defense Secretary Fidel Ramos were killed by an unidentified armed man in Fort Bonifacio, Makati. The victims were identified as Sergeant (Francisco Bolao Bio) of the Philippine Air Force and Sergeant Manolito Bondad of the Philippine Marine, both assigned to Camp Aguinaldo. According to witnesses, they were getting down from their motorcycles when a man suddenly appeared from behind and shot them with a .35 caliber gun. The victims sustained bullet wounds in the head which caused their immediate deaths. The NPA Sparrow Unit is being blamed for the incident.

Thailand

Further on Chawalit, 'Revolutionary Council'

Prem Moves Against Council
BK2005022388 Bangkok BANGKOK POST in English 20 May 88 pp 1, 3

[Words in italics as published]

[Text] Prime Minister Prem Tinsulanon yesterday ordered Army Commander Gen Chawalit Yongchaiyut to take action against the Revolutionary Council.

Gen Prem made the order by telephone from the Soviet Union as Gen Chawalit defended his coup remarks, saying he was only trying to prevent money-dumping in the general election.

The premier's secretary-general Sqn-Ldr [Squadron Leader] Prasong Sunsiri, speaking to the BANGKOK POST in Kiev, said that Gen Prem knew nothing about being appointed chairman of the controversial Revolutionary Council.

"Gen Prem does not want to get involved in the group," Sqn-Ldr Prasong said.

The council's nomination of Gen Prem as chairman was a joke and nonsense and attempt to lend the group legitimacy, he said.

Led by former communist ideologue Prasert Sapsunthon, the Revolutionary Council reemerged on Tuesday to voice support for constitutional amendments and to name Gen Prem their chairman.

The council emerged last year to echo Gen Chawalit's call for peaceful revolution, but failed to win public support.

Foreign Minister Sitthi Sawetsila, who returned from Moscow yesterday morning, said at Don Muang Airport that Gen Prem laughed when he was informed of the appointment.

ACM [Air Chief Marshal] Sitthi said the premier read the report, did not say anything and simply laughed.

Sources in Gen Prem's delegation said Assistant Army Commander Gen Phichit Kunlawanit has cut short his visit of the United States.

Gen Phichit, who is in the US to attend an alumni meeting of former students, will remain in Washington until his scheduled return.

Commenting on his coup remarks late last week, Gen Chawalit said he was acting on reports that a "worrying level" of foreign money was in circulation here to buy votes.

"I received a telephone call from a friend a day after my statement that certain people had changed their minds about withdrawing 50-100 million baht from a bank," Gen Chawalit said.

"In the past, they used money to buy votes. Now they are buying candidates," he told Thurakitbandit University students. "I don't know what they're going to buy next.

"We should not forget that national survival and the people's wellbeing cannot be bought with a few hundred or thousand million baht. I and the Army will not tolerate that," Gen Chawalit said.

Talking on the theme of the political climate amid the election, Gen Chawalit also elaborated on his definitions of *patiwat* (revolution) and "true democracy".

He also reiterated his support for Gen Prem Tinsulanon as prime minister.

Accusing critics of his *patiwat* he was referring to meant revolution and not coup d'etat. [sentence as published]

"Some people think I'll stage a coup. I'm not crazy. I'll oppose it. I have said I'll oppose any coup attempt and I have my own means to do it," said Gen Chawalit, warning that he would act on his word.

"I'll do whatever I can to oppose all forms of dictatorship, be it through Parliament or the capitalist establishment," he said.

Denying links with the so-called Revolutionary Council, he said: "If I was to call such a meeting, hundreds would attend and not only a handful of people like this."

Insisting that revolutions could be brought about in a peaceful manner, he said several had taken place, such as those led by Gandhi, and the Meiji reform in Japan.

The turning over of absolute monarchy by King Rama VII was another example.

King Rama VII had turned over absolute power to bring about democracy under which the people could exercise their power, he said, but people continued to be confused by the concept of "true democracy".

Some people he said felt elections made the country democratic while others believed the Kingdom to be still undemocratic because there remained a need for changes to the Constitution.

"These arguments spring from the sincerity of people who want democracy, but there are some people who don't care if the country is democratic or not as long as they can do their business," he said.

The prevailing confusion was the result of arguments, he said, and true democracy had to be a system under which the people could fully exercise their rights.

"Soldiers are under the King and we cannot not do otherwise but serve the royal wish to promote democracy. We like to say an election must come from and be brought about by the people, as King Rama VII had intended."

In this context, the people should consider fully if the country could be considered a democracy just because there are elections.

A real democratic election had to involve as many people as possible and be free of illegal elements and smear campaigns, Gen Chawalit said.

Democracy with real popular participation should feature political parties with popular support, he said, and the government should encourage parties to extend themselves to seek members.

In theory, Gen Chawalit said, party branch offices should choose election candidates instead of the central or executive committees that now assume that role.

"Whether candidates have a chance to run depends more on whether they have a sponsor or not," Gen Chawalit said.

While he had no intention to criticise any particular former MPs, he said, "it's a pity many of them are under this situation. If the problem is corrected, they may perhaps make themselves good MPs."

Gen Chawalit lamented that he and the Army has been upset by criticism that the military destroyed democracy.

Conceding the Army was a power that could effect political change, it had followed a path it believed to be right to promote democracy.

"But every time we get involved in politics, we always end up in trouble and misery," said Gen Chawalit.

"We've tried to fight for the country's survival, but people have never known how hard we've fought."

The next prime minister needed to tackle political problems first if he was to promote economic health. Political stability was the foundation for national stability, without which the country could not prosper.

Praising Gen Prem for his attempts to promote democracy, Gen Chawalit said he did not come out in support for Gen Prem because he was a former Army man or because they were personally close.

Gen Prem had contributed much to national development, apart from maintaining democracy by withstanding two coup bids. However, he said, support for Gen Prem has become a divisive issue in which parties were more divided than generally thought.

As many as four groups stood apart on the issue; one supporting Gen Prem's return, one opposing it, one saying it supported him but would reject him and another refusing to make a public stand but willing to take him back in return for attractive Cabinet posts. [sentence as published]

"This is why the political situation now is so confusing," Gen Chawalit said.

Chawalit Explains Coup Remarks
BK2005022188 Bangkok THE NATION in English
20 May 88 pp 1, 2

[Words in italics as published]

[Excerpts] Army Commander in Chief Gen Chawalit Yongchaiyut, hitting back at critics, said yesterday he had spoken of a coup capability in order to pre-empt money-dumping and foreign intervention in the July 24 election campaigns.

He said his coup statement made on Sunday [15 May] prompted some people to drop a plan the following day to draw 50 million or 100 million baht from a bank to bankroll politicians.

But former Premier M.R. Khukrit Pramot said he saw Chawalit's coup remarks as an act of intimidation.

He said there are laws that ban money-dumping in elections.

"I don't believe that a revolution can stop vote-buying," Khukrit said.

In a wide-ranging speech at Thurakitbandit University yesterday, Chawalit also stressed the need to amend the Constitution to perfect elections as an integral part of true democracy. He also defended his much-criticized theory of effecting changes through a "peaceful revolution."

He said money was dumped only to buy votes in the past, but said even candidates can now be bought.

He added that "foreign money has also started circulating" in the Thai political markets.

Using his usual upbeat terms, Chawalit said "philosophical crisis" is hitting the country, plunging it into chaos.

"Some say we have got to have elections: the sooner the better, the more the better. Others say the Constitution is not good and must be amended. Many have also debated the meaning of democracy in seminars and other forums but they have failed to come to a conclusion," he said.

Chawalit said elections alone did not make a real democracy because Thai democracy is still full of flaws after many polls.

Many constitutions have been used but they have not worked out well, he said.

Added the Army chief: "It must be amended." [passage omitted]

Referring to M.R. Khukrit Pramot's statement that Chawalit violated the law in issuing the coup statement. The Army chief said a coup was against the law but a revolution was not.

He claimed he was following former Chakri kings' lead in his *patiwa* campaign.

Chawalit also:

— Denied any link with *sapha patiwa*—the Revolutionary Council—which has advocated his *patiwa* concept, proposed that it serve as national legislature before the nationwide polls, and supported a constitutional amendment to set up single-MP constituencies promoted by the army.

— Urged politicians to avoid mudslinging tactics in the upcoming election campaigns.

— Defended Prime Minister Prem Tinsulanon against criticism. Prem, he said, has made great contributions to the country. Examples included his successful crack-down on two coup attempts and helping establish permanent democratic rule.

— Classified political parties into pro-Prem and anti-Prem parties, parties which back Prem but refuse to say so, and parties which do not claim to be pro-Prem but could back him in exchange for Cabinet posts. The last two categories confused the public, he said.

— Hit back at critics of his handling with the Thai-Lao dispute. He described as sadists the people who want the military to use violence in resolving the border dispute at Romklao Village.

Chawalit said Thailand should adhere to the principle of peaceful co-existence in dealing with Laos because the two countries are neighbours. Thailand will tremendously benefit from good friendship with Laos in economic terms because the land-locked communist country wants to export lots of teak. Laos needs foreign exchange to fund its projects to modernize its agriculture and establish its preliminary industry within five to 10 years.

He said friendship with Laos would also strengthen Thai security.

Daily: Revolution Nonsense Must Stop
BK2005005988 Bangkok THE NATION in English 20
May 88 p 8

[NATION editorial: "Rhetoric and Sarcasm About *Patiwa* Are Counterproductive"; words in italics as published]

[Text] Army chief Gen Chawalit Yongchaiyut and M.R. Khukrit Pramot are talking about *patiwa* in completely different languages. Together they increased the commotion and increased political uncertainties.

Chawalit is toying with revolutionary rhetoric when he talks about *patiwat*. He deliberately keeps the meaning of *patiwat* vague.

Normally, Chawalit's *patiwat* means a peaceful revolution with the consent of the people, like the Meiji Reformation and Gandhi's national liberation movement through non-violent means.

Last Sunday [15 May], however, Chawalit's *patiwat* obviously meant a coup when he said the Armed Forces still had the capability to seize power in a *patiwat* and no other forces in the land would be able to stop them.

M.R. Khukrit, on the other hand, used sarcasm to counter Chawalit's *patiwat* rhetoric. He calls for a bloody revolution, instead of a peaceful revolution which he says is not going to do the country any good.

Yesterday, Chawalit renewed his call for a constitutional amendment to improve the electoral system in order to prevent bad politicians from buying their way back into the House. He also claimed that some foreigners are investing huge amounts of money in the general election.

Financial assistance from foreigners to Thai politicians is illegal and it must be stopped. If Chawalit has enough evidence, he can urge authorities to take immediate action against those foreigners and their Thai collaborators.

But if he really believes political progress is impossible without an amendment to the Constitution, he can still tender his resignation and enter politics. He can form a political party or lead a bloc of parties to contest in the general elections. If he can convince voters of the need for a constitutional amendment, his party or bloc will win and will be able to form a government. Then he can initiate a constitutional amendment process in the House.

Stirring up confusion and spreading coup fears are not the way to improve the political system.

Acting-Premier Chatchai Chunhawan is right when he says all the talk about *patiwat* are hurting the country by creating confusion in the Thai political arena.

All the nonsense about *patiwat* must stop, rhetoric and sarcasm included.

Sitthi, Shevardnadze Discuss Cambodia Meeting
BK2005081988 Bangkok Domestic Service in Thai
1300 GMT 19 May 88

[Foreign Minister Air Chief Marshal Sitthi Sawetsila's statement to correspondents, given on his return from Moscow at Bangkok International Airport on 18 May—recorded]

[Text] He [Soviet Foreign Minister Shevardnadze] said to me that in ASEAN, Thailand—not only Indonesia—is an important country that could effect peace or bring

about a settlement in Cambodia. He wanted me to meet with Nguyen Co Thach again. I informed him that I will be running in the coming election, so a meeting will have to be after the election. So the assumption is that there will be a meeting. I suggested to him that Jakarta be the venue for the meeting so that the four Cambodian factions, Vietnam, Indonesia, and relevant countries could participate.

The objective of that meeting is: first, to work out an agreement as to the form and policy of the national reconciliation government; second, a timetable for withdrawal of Vietnamese soldiers—starting and completion time. He wanted Afghanistan to serve as the model for an agreement on Cambodia. That is, in the Afghanistan issue, Pakistan pledged to discontinue its involvement after the agreement [on settlement of the Afghanistan issue] was reached.

My meeting with the Soviet foreign minister proceeded well amidst good understanding.

Further on Port Issue, PAT Agreement
BK2005011788 Bangkok THE NATION in English
20 May 88 p 8

[NATION editorial: "PAT Board Passes the Buck"]

[Text] Directors on the executive board of the Port Authority of Thailand (PAT) met for five hours yesterday and still couldn't agree on how to deal with the controversial crane contract between PAT and Bangkok Crane Corporation [BCC].

The PAT board, headed by Navy Commander Adm Praphat Kritsanachan, shrank from making a final decision to terminate the contract—even though Communications Minister Banhan Sinlapa-acha wants the contract terminated because of the congestion at Bangkok port, caused partly by the BCC's low-capability mobile cranes.

One of the reasons the PAT board didn't call off the contract is that Banhan didn't instruct PAT in writing.

How to terminate the contract is irrelevant now. The most important question is how to ease the congestion at the Bangkok port, which is causing serious delays to many international vessels.

One sensible solution is for PAT to permit vessels equipped with on-board cranes to lift their containers right away, instead of waiting for the termination of the crane contract.

Banhan, who is Chat Thai Party general secretary-general, may not want to stick out his neck by authorizing PAT to terminate the contract and risk a lawsuit from BCC.

He may ask the Cabinet to make a decision. And the Cabinet, now dominated by Chat Thai ministers, may also pass the buck to Premier Prem Tinsulanon, who is scheduled to return from East Europe on May 28.

Meanwhile, chaos at the Bangkok port worsens and international shipping lines will start collecting a hefty congestion surcharge on June 1.

This is how Thai politicians deal with pressing problems of the country. Prem should have known this before he left for the overseas trip, when he asked Banhan to take "immediate action" to end the crane problem.

Vietnam

VNA Carries Ministry Statement on PRC Memo
BK1905161488 Hanoi VNA in English 1455 GMT
19 May 88

[Text] Hanoi VNA May 19—The spokesman of the Vietnamese Ministry for Foreign Affairs today issued the following statement:

On May 12, the Ministry for Foreign Affairs of China made public "Memorandum on the Xisha [Paracel] and Nansha [Spratly] Archipelagoes" (which are actually the Hoang Sa and Truong Sa Archipelagoes of Vietnam), in which it is said: "China always advocates the settlement of disputes among nations, by peaceful means. This is also the case for the Nansha question. In this spirit, China has decided to temporarily put off the Nansha question for a settlement through negotiations in the future."

Vietnam's stance with regard to the Hoang Sa and Truong Sa Archipelagoes has been clearly stated and needs not be repeated. The Vietnamese side takes note of China's view of temporarily putting off the Truong Sa Archipelago question for a settlement through negotiations in the future. This conforms to Vietnam's consistent position to the effect that all the differences and disputes between Vietnam and China including the issue of the Hoang Sa and Truong Sa Archipelagoes and the land border should be settled through peaceful negotiations, and the two sides should avoid all clashes pending the bilateral talks, in order not to make the situation worse.

Oil Exploration Contract Signed With India
BK1905154888 Hanoi VNA in English 1512 GMT
19 May 88

[Text] Hanoi VNA May 19—A production sharing contract on exploration and exploitation of petroleum in offshore southern Vietnam was signed here today between the Vietnam National Oil Company (Petro-Vietnam) and the Hydrocarbons India Limited (HIL) under the Oil and Natural Gas Commission of India.

Signatories were Truong Thien, president of the Petro-Vietnam and director general of the General Oil and Gas Department of Vietnam, and S.C.N. Jatar, chairman and managing director of the HIL.

Under the 25-year contract, in addition to investing exploration capital, HIL will also train Vietnamese technical personnel in India.

The first surveys are expected in April 1989 and the first exploratory well is to be drilled in the following year. A team of Indian technical officers is already in Vietnam to get the necessary data.

The signing of this contract is in implementation of an intergovernmental Indo-Vietnamese agreement on cooperation in economy, science and technology. A protocol was signed between the two countries in January 1987 by the two foreign ministers.

Radio Carries More Reports on Food Problems

BK2005064988 [Editorial Report] Hanoi Domestic Service in Vietnamese continues to carry reports in connection with the current food shortage in the North.

In its 2300 GMT cast on 18 May, the radio carries two short reports on the grain situation in Vinh Phu and on a plan to increase rice planting acreage in Hanoi. In the first report, 1.5 minutes long, the radio says the Grain Service of Vinh Phu Province has received "more than 4,500 tonnes of rice shipped by the Central Grain General Corporation from Haiphong Port to Viet Tri Port" to ensure "70 percent of the grain rations for May and June of cadres, workers, state employees and their dependents." It adds that "by 13 May, more than 2,500 tonnes of rice had been cleared from the port and promptly distributed to the various grain shops for sale, thus relieving the serious grain shortage of the previous weeks;" and that "the province is scheduled to receive another supply of some 5,000 tonnes of rice in June."

In the second report, 1 minute long, the radio says: "This year Hanoi municipality is planning to increase its winter crop acreage by 42-43 percent over the original plan—up by 10 percent over that of 1987." To do this, it adds, the municipality is striving to plant the early 10th-month rice on 50 percent of the total acreage.

In its 0500 GMT cast on 19 May, the radio carries a 1-minute report saying that "the spring rice in Thai Binh is growing fairly well," but "some areas are running short of water and being infested with brown leafhoppers and blight." The Agricultural Service, it continues, has sent all its technical cadres to the various cooperatives to help them control the outbreak of harmful insects and diseases, and a total of 3,500 sprayers and 15 tonnes of insecticides have been supplied to the grass-roots units. The radio says in conclusion that thanks to intensive control efforts, "many districts have reduced the areas affected by harmful insects and diseases."

In its 1100 GMT cast on 19 May, the radio carries a 1.5-minute report saying that according to HANOI MOI, Tich Giang Village in Phuc Tho District has "discussed measures to actively help families experiencing food shortages." Local production units, says the report, are looking into the situation of every needy member household in order to give assistance in the form of donations or loans. According to the radio, "since March 1988, the start of the off-season months, some 217 well-off families have provided no-interest loans in grain for 200 needy families;" and "the agricultural cooperative has, in two phases, given out loans totaling 7,552 kg of corn and paddy from its own stocks to 316 member households."

Newspaper, Festivities Mark Ho Chi Minh Birth

NHAN DAN Editorial

*BK1905095588 Hanoi VNA in English 0744 GMT
19 May 88*

[All quotation marks as received]

[Text] Hanoi VNA May 19—Marking the 98th birthday of President Ho Chi Minh, today NHAN DAN editorially urges the entire party, Army and people to "live and fight following the example of the great Uncle Ho."

The papers says:

"Uncle Ho has bequeathed to us a great example and great lessons on building the party, the people's power, the new regime and the new-type people of Vietnam.

"In continuation of his noble cause and in implementation of his testament, our party is concentrating efforts on leading the implementation of the renovation policy laid down by the 6th party congress, a fundamental and all-round renovation, first of all the renovation of the leadership and economic management, aimed at liberating the production capabilities, strongly expanding the production of commodities, thereby to stabilize the people's life, carry out democratisation and achieve social equity for stepping up the building of socialism. To make renovation a success, it is imperative to raise the quality of the leading role and combat strength of our party, firstly in the field of construction and economic management. We must begin with the renovation of the party and of the party building work to ensure that the party be equal to the new tasks and really become the vanguard of the working class in the socialist revolution."

The paper goes on:

"In the process of renovation, the renewal of leading cadres at all levels is the most important work and the requisite to undertake reforms of revolutionary significance. To renew the contingent of cadres, it is necessary first of all to renovate personnel work. We must stop evaluating our cadres in the old way which is to consider mainly their style of work and attitude, their past (or) the history of their families.

"It is necessary to urgently draw up a plan for training and retraining our cadres according to new viewpoints in the appraisal of a cadre and to observe democracy and openness in the selection and appointment of cadres.

The party will resolutely expel from its ranks those degenerate cadres who are no longer qualified as party members, and replace those who either stand in the way of renovation or are incapable of carrying renovation.

Those who commit serious errors or mistakes must be disciplined duly depending on the character and seriousness of their mistakes. Actions against negativism must be directed to the abolition of two major dangers to the leading party, namely bureaucratism, arbitrariness and oppression of the masses, and corruption and theft of the property of the state, the collectives and the people."

NHAN DAN concludes:

"Loyal to the testament of President Ho Chi Minh, we pledge to strive to build our party into one marked by purity and high fighting capacity, and to build our state into a firm, strong and effective one, in order to meet the new demands of the revolution."

Nguyen Duc Tam at Celebrations

*BK1905105588 Hanoi VNA in English 0753 GMT
19 May 88*

[Text] Hanoi VNA May 19—The finals of the 1987-1988 national song contest in celebration of President Ho Chi Minh's 98th birthday (May 19) began here on Wednesday [18 May].

Present at the opening were Nguyen Duc Tam, Politburo member of the Communist Party of Vietnam Central Committee, and Dao Duy Tung, alternate Politburo member of the party Central Committee.

Participating in the finals are 35 singers who won top prizes at local contests.

Cabinet Decision on Capital Construction

*BK1905091988 Hanoi VNA in English 1500 GMT
18 May 88*

[Text] Hanoi VNA May 18—The Council of Ministers has issued a decision on the renovation of the management mechanism in capital construction aimed at introducing the system of cost-and-profit accounting into the construction industry, defining the modalities for investment and strengthening the state management in capital construction.

The decision says:

The state budget (at the central and local levels) finances only the construction of public welfare projects, technical works of the infrastructure and some important and

large-scale production works repayable over long periods. Other projects of the production, trading and service sectors are to be funded by the grass-roots, bank loans, and other legally mobilizable sources. The state budget shall partly fund the construction of houses in important cities and industrial centers, the rest is to be taken from the welfare fund, contributions of public employees and workers in various forms including installment and whole payments. The funding of the construction of joint ventures with foreign countries shall be made according to the law on foreign investment, the grass-root economic establishment (or union) must take full responsibility for the implementation of the signed contracts.

The ministries, provinces and cities have full authority to make outlays in cash or materials for each specific project. Most of the supply of materials and equipment shall be changed to cost accounting. The investor has the right as a (juristic) person to hire organizations in the survey, designing, and scientific research and choose state-owned or collective building or assembly units and to sign contracts with any branches or localities.

The tendering system shall be step by step introduced in construction, first in the small projects and dwelling houses as well as in surveying and designing.

To step by step set up general building units in some branches and in a number of localities, only a small number of necessary service-based unions of building enterprises for the whole country shall be retained.

National Information Conference Reviews Tasks
BK1705114588 Hanoi Domestic Service in Vietnamese
2300 GMT 14 May 88

[Text] A nationwide information conference was held from 12-14 May to review the 1987 tasks and discuss information orientation and tasks for the days ahead.

Comrade Tran Trong Tan, head of the party Central Committee Propaganda and Training Department, attended the opening session and delivered a speech on renovating and strengthening the present ideological task.

In the spirit of renovation set forth by the Sixth CPV Congress, the conference reviewed tasks of the press and radio and television stations; tasks concerning information, motivation, exhibition; and tasks relating to publishing, printing, distributing, and importing and exporting books and newspapers, which are the main thrust of the mass communication work. The press—be it in written, verbal, or pictorial—has made new progress in content and details, thereby increasing the diversity of information materials. The press has also initially carried out the two-way information task, made great efforts in propagating the economic task, positively

participated in the struggle against negativism, and contributed to creating an atmosphere of democracy and openness in society. The mass motivation and information tasks also carry many lively and fruitful forms.

In the spirit of facing the truth, the conference analyzed weaknesses and shortcomings of the information task and many negative phenomena in society that have not been criticized by the press, especially the local press. It also noted that many new factors in production and business and good examples in productive labor have not been fully and promptly commended. The conference discussed at length various negative phenomena in the management of publishing, printing, and distributing books and newspapers. Some localities have published and distributed books carrying espionage cases with unhealthy contents, translations of books from capitalist countries including old books published by the Saigon puppet regime, picture books and novels bad for children, and so forth. Most of these books have no literary value and are at variance with the requirement for ideological and aesthetic education set forth by the party. A number of local literary and arts associations have devoted themselves to the publication of translated works and paid little attention to assisting and encouraging local writing movements. Some cultural and information agencies have arbitrarily issued licenses beyond their authority.

Addressing the conference, Comrade Nguyen Khanh, vice chairman of the Council of Ministers, outlined the functions and tasks of the Ministry of Information. He stressed that the ministry must improve the state's management of information in order to ensure the implementation of democratization while firmly maintaining rules and respecting the law on propagating, publishing, printing, and distributing books and newspapers.

The conference commended and awarded the Ha Nam Ninh Information Service, the Phu Khanh radio station, the Can Tho City television station, the Nghia Binh Cultural and Information Service, and almost 100 units for their efforts and progress in the 1987 emulation movement.

The conference unanimously adopted a number of measures to accelerate the emulation movement from now to the end of this year, which are aimed at implementing the following four objectives:

- Strengthen material-technical bases and renovate activities of the information sector, improve information at the grass roots, and accelerate two-way information;
- Strengthen state management tasks to develop information undertaking in accordance with the current program and law;
- Shift activities of the entire sector into business accounting showing an income; and

—Strengthen training and fostering of cadres in accordance with the renovating spirit of the Sixth CPV Congress.

Radio Marks PRK Day of Hatred for Pol Pot
*BK1905151888 Hanoi International Service
in English 1100 GMT 19 May 88*

[Station commentary]

[Text] May 20th is the Kampuchean people's day of national hatred against the genocidal Pol Pot clique. This day has deeply engraved the Kampuchean people's minds with hatred against that monstrous gang who had pushed the whole Kampuchean nation into a genocidal disaster. This day also demonstrates the Kampuchean people's iron will not to allow the genocidal Pol Pot gang to return to Kampuchea.

On 20 May 1975 in Phnom Penh, the Pol Pot clique held a meeting of party cadres throughout the country to propagate the policy of class elimination and of classifying the Kampuchean people into different categories for discrimination. This led to the mass killing of the Kampuchean people of all classes—a genocidal crime never heard of before in history. Within less than 4 years in power, the Pol Pot clique turned Kampuchea, a country with a brilliant Angkor civilization, into a hell on earth drowned in blood and tears. They massacred more than 3.3 million Kampucheans with the most barbarous means and methods. The social fabric, the cultural, technical, and material foundation of the economy and natural resources were destroyed, and the national history was pushed back for decades.

At present, hiding on the Thai soil, the Pol Pot remnants are committing new crimes against the Kampuchean people's rebirth. Their crimes, both in the past and at present, made the Kampuchean people and the whole of mankind worry at the [words indistinct] forces that are attempting to reimpose the genocidal regime on Kampuchea. Public opinion has rightly remarked that one of these forces is the Chinese authorities. Public opinion cannot help worrying about the fact that China—on the one hand—is fostering the Pol Pot clique, using it as a tool to oppose the Kampuchean people and the other Indochinese people and undermine the talks between Chairman Hun Sen and Prince Norodom Sihanouk, preventing a political solution to the Kampuchean issue. On the other hand, China has brazenly occupied several islands of Vietnam's Truong Sa [Spratly] Archipelago.

These acts designed by a number of people in the Chinese leadership are destabilizing the situation in Southeast Asia and running counter to the current trend for dialogue in the region and the rest of the world.

Despite numerous difficulties caused by natural calamity and the enemy, the Kampuchean people are steadily advancing in their wonderful rebirth. The revolutionary administration at all levels have been strengthened. The people's armed forces have rapidly grown up, and the national economy has been stabilized step by step. The policy of national reconciliation and the five-point political solution respectively, made public in August and October 1987 by the People's Republic of Kampuchea, have had a great influence. The initial result of the meeting in Paris between Chairman Hun Sen and Prince Norodom Sihanouk proved that the most correct way to find an equitable political solution to the Kampuchean issue in keeping with the common trend is to continue the dialogue. This result also affirms that the Kampuchean issue must be solved by the Kampucheans themselves.

The comprehensive will of the People's Republic of Kampuchea is the decisive factor for the annual and partial withdrawal of Vietnamese Army volunteers from Kampuchea. By the end of 1987, half of the Vietnamese volunteer force had gone home, and the withdrawal will be completed by 1990. Development in Kampuchea shows that the Kampuchean situation is irreversible and that there is no other place for the Pol Pot clique than history's dustbin.

The great achievements of the Kampuchean people in the past 9 years helped consolidate the vision and strength of the three Indochinese countries' revolution. The Vietnamese people, as heretofore, will remain loyal to their internationalist obligation toward the fraternal Kampuchean and Lao peoples.

Briefs

Ho Chi Minh City Afforestation

Hanoi VNA May 19—On the occasion of the 98th birthday (May 19) of President Ho Chi Minh, the forest service of the Ho Chi Minh City has launched a campaign for the growing of 500 hectares of concentrated forest and more than five million scattered trees from now to the end of the rainy season in October. Since liberation, the people of the city have grown 30,000 hectares of concentrated forest and more than 80 million scattered trees. In 1987 alone, they planted 900 hectares of concentrated forest and nine million scattered trees. The newly grown forests and trees have been doing well, helping to prevent soil erosion, improve the environment, and bring about good incomes. Aware of this practical economic effect, more and more people in the city have invested in the nursing of saplings and the reclaiming of waste land for afforestation. [Text] *[BK1905105988 Hanoi VNA in English 0751 GMT 19 May 88]*

Australia

Two Navy Ships Dispatched to Vanuatu Area
*BK2005082388 Melbourne Overseas Service
in English 0800 GMT 20 May 88*

[Text] Australia has sent two Navy ships to the Vanuatu area in case Australian citizens need to be evacuated from the Pacific state. The Department of Foreign Affairs in Canberra has also advised other Australians to defer any travel plans to Vanuatu in the light of recent disturbances there.

The move follows rioting on Monday in the Vanuatu capital, Port Vila, during which 1 person was run over and killed and 10 people suffered minor injury.

A spokesman for Australia's defense minister, Mr Beazley, said today it was considered unlikely that any evacuation would be needed. But, because of the situation in Vanuatu, it had been considered prudent to extend the training exercises of the two Navy ships—"Stalwart" and the "Jarvis Bay."

Papua New Guinea

Michael Somare Resigns as Opposition Leader
*BK2005101088 Hong Kong AFP in English
0959 GMT 20 May 88*

[Text] Port Moresby, May 20 (AFP) — Papua New Guinea power broker Michael Somare has resigned his position as leader of the opposition and the Pangu Party, he said here Friday;

Mr. Somare, 52, told reporters he was "calling it a day" and stepping down as Pangu Party leader and leader of the opposition in the parliament.

Pangu sources said the new party leader was Rabbie Namaliu from New Britain.

They named two politicians who would be sharing the post of deputy leader: John Giheno, member for Hengano in the western highlands, and Jack Genia, from Abau central province, near Port Moresby.

Mr. Somare said he would remain on the opposition's front benches.

He said in November he would resign as party leader before the party's 21st anniversary June 13.

Political observers said Mr. Somare was under no pressure to resign and, while he has relinquished responsibility for Pangu Party decisions, he would remain a powerful influence in Papua's complex politics.

Mr. Somare, whose nickname is "the chief," led Papua to independence in 1975 and was twice elected prime minister, only to lose no-confidence motions half-way through each of those terms.

The Pangu Party holds 24 seats in the 109-seat parliament.

Observers said that the new Pangu Party leadership was closely involved in negotiations with the government of Prime Minister Pias Wingti as the major political parties attempted to forge a so-called "grand coalition" government.

Mr. Wingti was under threat of a no-confidence vote when parliament was abruptly adjourned last month.

END OF

FICHE

DATE FILMED

23 May 1988

